

# SAUDI EXECUTIVES' VALUE PROFILES: A THEORETICAL AND EMPIRICAL STUDY

Abdullatif Saleh Al-Naeem

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**SAUDI EXECUTIVES VALUE PROFILES: A THEORETICAL  
AND EMPIRICAL STUDY**



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**A THESIS SUBMITTED TO THE UNIVERSITY OF ST ANDREWS,  
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DEGREE OF DOCTOR OF PHILOSOPHY  
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بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

"سبحنك لا علم لنا إلا ما علمتنا انك أنت العليم الحكيم"

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## **DECLARATION**

I, Abdullatif AL-Naeem, hereby certify that this thesis, which is approximately 100, 000 words in length, has been written by me, that it is the record of work carried out by me and that it has not been submitted in any previous application for a higher degree.

**Dated.** 23/12/1998 **Abdullatif S. AL-Naeem**.....

I was admitted as a research student in October, 1995 and as a candidate for the degree of Doctor of Philosophy in October, 1995; the higher study for which this is a record was carried out in the University of St. Andrews between 1995 and 1998.

**Dated.** 23/12/1998 **Abdullatif S. AL-Naeem**.....

I hereby certify that the candidate has fulfilled the conditions of the Resolution and Regulations appropriate for the degree of Doctor of Philosophy in the University of St. Andrews and that the candidate is qualified to submit this thesis in application for that degree.

**Dated.** 23/12/98 **Professor Mo Malek**.....

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## **ACKNOWLEDGMENTS**

### **IN THE NAME OF ALLAH THE MERCIFUL THE COMPASSIONATE**

***PRAISE BE TO ALLAH. THE LORD OF THE UNIVERSE AND PEACE AND  
BLESSINGS OF ALLAH BE UPON THE LAST APOSTLE OUR MASTER  
MOHAMMED.***

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ABDULLATIF SALEH AL-NAEEM

1998

## **ABSTRACT**

### ***SAUDI EXECUTIVES VALUE PROFILES – A THEORETICAL AND EMPIRICAL STUDY***

This study aims to add to the knowledge of previous research which has focused on individual values in developing countries in general and in the Kingdom of Saudi Arabia in particular (KSA). Only little serious research on values has been conducted in the Saudi business and management environment.

The main objectives of this thesis are: to identify empirically the value profiles of Saudi executives in both their personal and managerial lives; to investigate the differences between the value profiles of specific groups of Saudi executives such as those at the top level and those of the middle levels and also those of listed (joint stock) and unlisted (private) business companies; to investigate the relationship between the personal and managerial value profiles of Saudi executives and their personal and organisational characteristics; and to identify the extent to which it is possible to classify the value profiles of Saudi executives in the private sector. In order to reach these objectives, a theoretical framework was developed through which Saudi executives' values could be identified and measured.

The study was based upon Eduard Spranger's classification of values (Theoretical, Economic, Aesthetic, Social, Political and Religious), and Allport instrument "The Study of Values". The instrument was modified in terms of religious and cultural perspectives to be applicable to the Saudi environment and a new section was developed for measuring the relative strength of the six values in the executives' managerial lives.

Overall, the results of this research show that the different groups of Saudi executives display a similar rank order of the six personal values across their personal and organisational backgrounds and a similar ranking of managerial values. Nevertheless, significant differences were found in both profiles of values within each individual group. Surprisingly, analysis of the results showed that managers at the top levels place less emphasis on Economic values than those at middle levels. The analysis also showed that those who work for listed companies placed more emphasis on Economic values than those in private firms. The results also suggest that Saudi executives with different personal and organisational characteristics do not share



similar personal and managerial value profiles. Moreover, although average Saudi executives scored highest on the Economic values and lowest on the Aesthetic values in both profiles, they displayed different responses to the remaining four values in both value profiles. The results suggest that although average Saudi executives showed dissimilar personal and managerial value profiles, these profiles did relate, and that the general value system of Saudi executives could be deconstructed into three value profiles: the personal, managerial, and the personal-managerial interrelated profiles. With respect to the classification of value profiles, the results revealed that only four managerial value profiles with different ranking orders of the six classes of values are considered distinct to Saudi executives: Theoretical, Economic, Social, and Religious. Managers can thus be expected to show various types of behaviours when making their decisions as well as varying levels of managerial performance and organisational efficiency. Saudi business organisation, therefore, should choose those candidates with relevant value profiles from the four that have been identified in this study that best fit the goals and strategies of the organisation and place them in an appropriate environment in order to maximise the benefit from those individual's skills and experience.

The various findings of this research, the theoretical and practical implications, and suggestions for future research in this field are presented in the last chapter of this thesis.

**CHAPTER ONE**  
**INTRODUCTION**

# **CHAPTER ONE**

## **INTRODUCTION AND OVERVIEW OF THE STUDY**

### **1.1 INTRODUCTION**

Due to the increasing complexity in world trade and the increasing responsibilities of today's business organisations, executives and managers have found themselves more responsible than ever before for achieving their organisations' goals, and for competing and surviving in their markets by satisfying customers with quality goods and services.

This responsibility has motivated researchers and practitioners to conduct studies related to factors affecting organisational effectiveness. The central focus of these studies has been managerial behaviour in organisations and the factors by which this behaviour is influenced. In this context human values have been found to be amongst the most important factors that influence such behaviour. Human values are a personal or cultural system of beliefs, ranked in terms of individual's preferences which are used as criteria for their behaviour in society.

This value system may be considered to be an integrated unit of a number of values, or may consist of a number of distinct value profiles. The value profile reflects the importance of a number of values in terms of their relative importance to the individual. The expression "personal value profile" and "managerial value profile" in this study are taken to mean the rank order of values in the individual manager's personal and managerial lives respectively. It is important to note that this study is directed towards identifying value profiles empirically and not the resulting behaviour.

Since the early decades of the present century the study of human values has attracted the attention of researchers and scholars working in almost all areas of the social sciences (Spranger, 1928; Kluckhohn, 1951; Allport et al, 1960; Kluckhohn and Strodtbeck, 1961; Guth and Tagiuri, 1965; England, 1967; Rokeach, 1973; Furnham, 1987; Homer and Kahle, 1988).

As Ali and Al-Shakis (1985) pointed out, values have been found to exert significant influence on the development and economic structure of society, and a change in these values may be required to facilitate and encourage economic growth. To promote economic development it is first necessary to identify the values and beliefs of society. Such identification of values therefore is important in Ali and Al-Shakis's view because:

- a) There are beliefs and values which can negatively impact the overall growth of a society;
- b) Values not only have an effect on individual behaviour and therefore public priorities, but also corporate decision making and strategy;
- c) The potential success of governmental modernisation and investment programmes and other business opportunities will be enhanced if such measures are in accord with essential values.

In addition to the above implications, values are considered as important determinants in the ethical behaviour of organisational members (Malek and Alnaeem, 1998; Fritzsche, 1995, 1991; Akaah and Lund, 1994; Strong and Meyer, 1992; Barry and Schmidt, 1992). The results of these studies have suggested that values play an important role in enhancing the ethical decision-behaviours in organisations and, hence, in achieving economic growth at both organisational and national levels. As a result, values are seen as a significant dimension in globalisation (Quah, 1997).

Barry and Schmidt (1992) found that values are an important determinant in influencing the perception of organisational goals such as deciding whether profits should take priority over new product development or efficiency be weighted more heavily than creativity. To make such choices, both personal and managerial values must be taken into consideration.

A correlation has also been found between values and effectiveness of managerial functions. For example, values have a significant impact on leadership effectiveness, and the congruence between the values of those who lead and those who follow is an important factor. Communication has been found to be affected by the degree of congruence between those values held by managers and those emphasised by the organisation on the one hand, and between those held by the organisation's members themselves on the other hand.

There is a quantifiable relationship between values and job satisfaction. For instance, people with similar value systems will probably work together more harmoniously, and tend to be more satisfied with their jobs (Yavas et al., 1996). Consequently, values emphasised within an organisation may influence the attractiveness of the work environment to certain individuals (Judge and Britz, 1992).

As a result of the previous studies, jobs have been redesigned in order to match individuals' values in a way that may significantly increase organisational effectiveness. The role of a manager has evolved from simply supervising and controlling subordinates to participating with them, seeking their consultation and opinions in solving problems, helping their subordinates, forming and participating in cross-functional teams, helping superiors shape strategy, going into the field to help clients, acting as supervisors of people who serve on cross-departmental teams and serving on cross-company teams themselves (Kanter, 1989). This study will focus on

managers' value profiles as an important determinant of managers' behaviour in organisations in order to provide further theoretical underpinning of this process. It is important to note, however, that this study will focus on the top and middle level managers who are responsible for making decisions and not on the entrepreneurs who have influence on the Saudi business environment.

## **1.2 STATEMENT OF THE RESEARCH PROBLEM**

Although only relatively recently embarked on, the study of human values has produced substantial literature which deals with its various aspects at different levels. Perhaps the most important objective of the majority of the studies conducted has been to assess the impact of human values on decision making.

However, such studies are almost exclusively limited to Western societies with only limited investigation of managerial values being conducted in developing countries. In developing countries in general and in Saudi Arabia in particular, research in this field has been limited in scope, and particularly in number, because data are lacking. Most of the literature on this subject in Saudi Arabia is concerned with limited areas of research (i.e. work and/or organisational values, Islamic ethical values, vocational and educational values) with a smaller range of such values. As a consequence, the results of such studies were neither conclusive nor comprehensive enough to make a serious contribution to the field.

The present thesis will attempt to establish a foundation for further research into values in Saudi Arabia by providing thorough and detailed data collected from a significant, definable sub-group within Saudi Society. The strategy followed was:

- To identify and measure empirically the Saudi managers' value systems in both their personal and managerial lives.



- To use decision making (the selection process) to identify the general value system of the Saudi executive managers.
- To launch intensive fieldwork to collect suitable and reliable data to identify and analyse the value systems of Saudi executives.

### **1.3 AIMS OF THE STUDY**

In Saudi Arabia, where one finds conservatism and a rapidly growing economy, there is a lack of knowledge concerning the study of values and their role in managerial decisions. The aims of the study therefore are to provide important new insight into the study of values in the business sector of Saudi society:

- a- To review the relevant aspects related to the topic of human values. This review will assist in the development of a framework through which values can be identified and measured.
- b- To select the appropriate instrument amongst those previously used to study values in Western societies in order to apply this, with the necessary modifications for use in Saudi Arabia.
- c- To assess whether Saudi managers with different personal and organisational characteristics differ in their responses to the personal and managerial values or in fact they share similar responses. Also to assess whether specific groups such as top and middle level managers and those in listed and unlisted companies will differ in their value profiles or whether they share similar profiles.
- d- To examine to what extent it is possible to classify the value profiles of Saudi executives along the six classes of Spranger's values (Theoretical, Economic, Aesthetic, Social, Political, and Religious) and the main characteristics of managers of each type of these profiles.

The achievement of the above objectives should help overcome the lack of managerial knowledge concerning the study of values and its important role within the Saudi managerial context. They should also help to solve the shortcomings of the previous studies which were limited in scope.

## **1.4 RESEARCH QUESTIONS**

This research is devoted to studying Saudi executives' values in both their personal and managerial lives. The main objective is to identify and measure the general value system of the Saudi managers, and then to evaluate the extent to which Saudi executives represent the six classes of Spranger's values as a means of assessing the different types of value profiles that are distinct to Saudi executives. These objectives as well as the above objectives can be achieved by answering the following specific questions:

- (1) What are the primary responses of the different groups of Saudi executives to the six values in both their personal and managerial lives?
- (2) Will Saudi top managers and those at middle levels, both in listed and unlisted companies be different in their value profiles?
- (3) Is there any relationship between personal and managerial values of Saudi executives and organisational and personal characteristics such as: position, age, education, experience, activity, and size of firm?
- (4) What are the overall personal and managerial value profiles of the Saudi executive? And how similar are the two profiles at the typical Saudi executive level?
- (5) Based directly upon Eduard Spranger's classification of values (Theoretical, Economic, Aesthetic, Social, Political, and Religious), can the value profiles of Saudi executives be classified into different types? And what are the main characteristics of managers of each profile?



## **1.5 SIGNIFICANCE OF THE STUDY**

The results of the study will help in the following areas:

- (1) To fill the gap in the knowledge concerning the study of values in Saudi business environment.
- (2) To improve effectiveness in fulfilling day-to-day managerial roles as well as in the fundamental managerial functions of leadership, directing, controlling, communication, and providing appropriate motivational and reward systems.
- (3) To improve the selection and hiring policies in organisations by choosing those members and managers whose values are in line with the organisation's existing goals and policies.
- (4) To identify the value profiles of Saudi managers and employees, to recognise the importance of values to the achievement of organisational objectives and to train such organisational members how to work effectively with members of differing value profiles and to establish acceptable levels of congruence between their value profiles and the values of the organisation.
- (5) To identify and solve any organisational problems that are caused by the conflict in the value profiles of the organisation's members, and between these profiles and the organisation's goals and policies.

Knowledge acquired in the above contexts can provide a positive basis for solving organisational problems, especially those related to individuals' values and also those resulting in the achievement of an organisation's objectives and growth.

## **1.6 OVERVIEW OF THE STUDY**

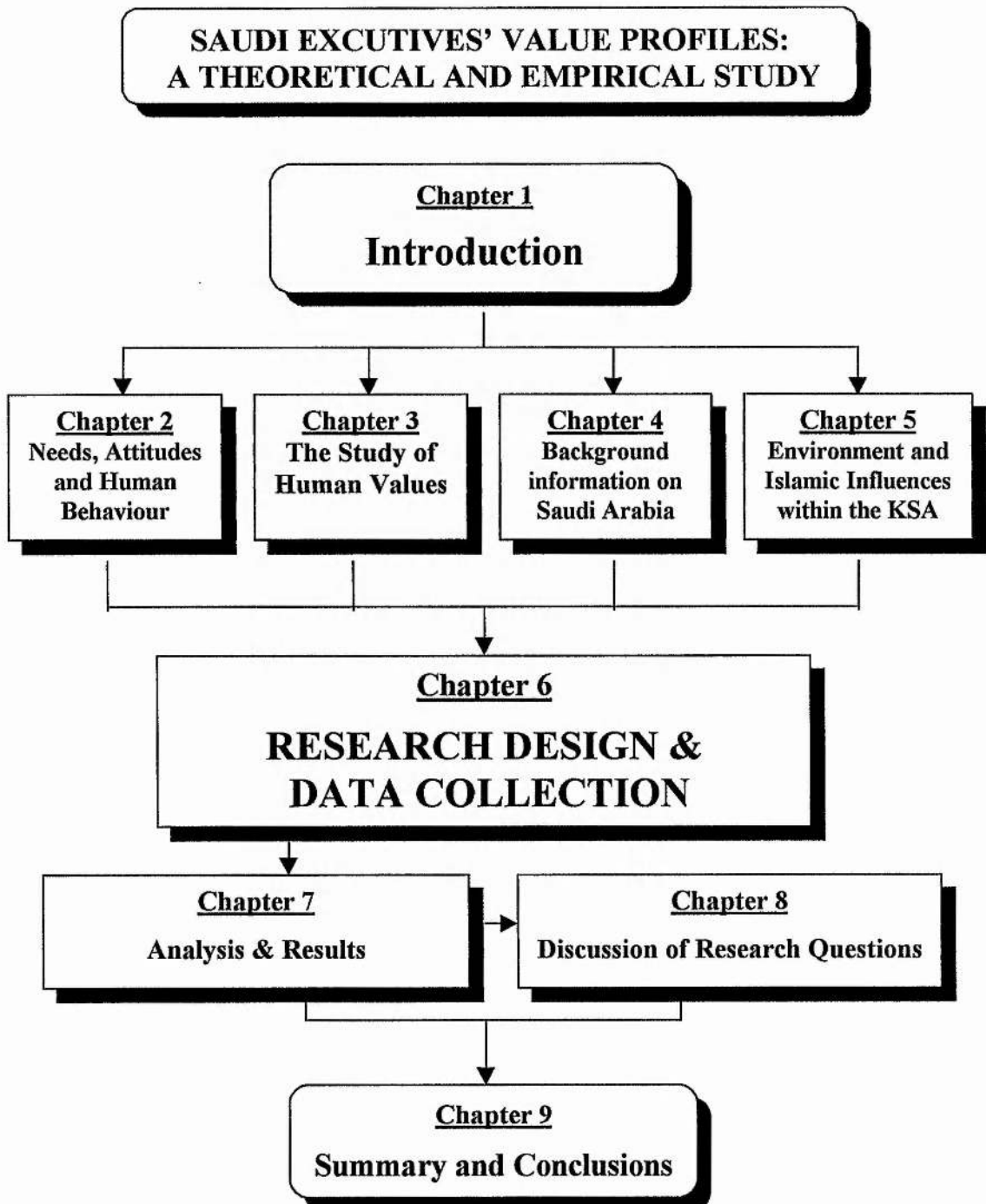
This study is organised in nine chapters. After this introductory chapter, eight chapters will be presented. Chapter two will cover a general review of human

behaviour and the main components of such behaviour. This review will include those factors which influence an individual's behaviour and enhance the value-behaviour relationship. Since human values are the central focus of this study, chapter three focuses exclusively upon early studies and theories conducted by well-known authors and scholars in most areas of the social sciences. As this study will be conducted in the Saudi context, chapter four presents general background information on Saudi Arabia in its historical, economic, cultural, and religious aspects. The Saudi context is a unique profile due to the fact that all Saudis are Muslims, and Islam dominates almost every aspect of life in S.A. The influence of Islam on different environments, including the business environment in Saudi Arabia, is the subject of chapter five in order to provide an idea of the extent to which Islam affects managers' styles and their behaviours in business firms.

A full description of the methodology including the instrument selection and design which will be used to collect the necessary data for the study, will be detailed along with the study framework in chapter six. The statistical analysis of this data in accordance with the research questions and the results developed will be presented in chapter seven. These results will be discussed in detail in chapter eight. Finally, chapter nine will be devoted to the presentation of the conclusions drawn from the findings, contributions and implications of the study, limitations of the study, and suggestions for future research.

**FIGURE 1-1**

**A FLOW CHART INDICATING THE STRUCTURE  
OF THE THESIS**



**CHAPTER TWO**  
**GENERAL VIEW OF HUMAN NEEDS,**  
**ATTITUDES AND BEHAVIOUR**

## **CHAPTER TWO**

### **GENERAL VIEW OF HUMAN NEEDS, ATTITUDES AND BEHAVIOUR**

#### **2.1 INTRODUCTION**

The major objectives of this chapter are to review the relevant literature to the study of human values and behaviour, and to clarify theoretically issues that might be considered significantly related to human behaviour, such as human motivation and attitudes. Research in related subjects that could be of use to the present study will be reviewed, starting that into the general nature of human behaviour

During the last few decades human values and behaviour have become one of the major issues that have intrigued managerial researchers and practitioners in all fields of the social sciences (Allport, 1970; England, 1967; Rokeach, 1973; Homer and Kahle, 1988; Posner and Schmidt, 1992; Rowe and Boulgarides, 1992; Fritzsche, 1991, 1995). Today's organisations are becoming larger and more complex and management has realised the importance of an individual's behaviour in achieving high standards of performance and its relation to increased productivity through which they can compete and survive. Such behaviour has been found to be affected by many factors, of which values are one of the most important.

Most of the earlier studies that have examined human behaviour are based on classic economic theory. Cooke and Slack, (1991) stated that the basic assumptions about the general nature of human behaviour and in particular when faced with a decision are:

- 1- In a decision-making situation in a business context or at work, human beings behave in an entirely rational and logical manner.
- 2- Other things being equal, the aim of the decision-maker is to maximize potential by choosing the alternative with the greatest value.

However, modern psychology has found this to be far from the truth (Adcock, 1983). Due to particular problems with the rational model, Anderson and Kybrianou (1994) argue that:

**“There are particular problems with the rational model.... decision makers are unable, for a variety of reasons, to consider all alternatives and outcomes, and the necessary information is not always available.” (Anderson and Kybrianou, 1994, pp. 188-189).**

The conclusion they draw is that, under most circumstances, decision makers do not make decisions in this way.

McNulty (1990) represents a similar point of view, pointing out that:

**“Human behaviour is indeed explained in terms of motives, intentions, desires, and the like. But these are not (logically are not) the names of state variables, as position and momentum are the names of state variables in physics. I don’t wish to claim here that there could not be a causal theory of human behaviour (although I don’t think there can be) only that economics is not such a theory”. (McNulty, 1990, p. 331).**

Human beings make the choices they do because of the wants, desires, ends, plans, intentions, values, understandings, weaknesses, and just plain whims that can be attributed to them.

As McNulty puts it:

**“There is no single answer to the question ‘why did X do A?’” (McNulty, 1994, p. 332).**

One answer to this question can be found in Skinner (1992) on behaviourism.



Skinner (1992) argues:

**“Why do people behave as they do? It was probably first a practical question. It became a matter of understanding and explaining behaviour. It could always be reduced to a question about causes. We tend to say, often rashly, that if one thing follows another, it was probably caused by it. Of many examples to be found in the explanation of human behaviour, one is especially important here...many of the things we observe just before we behave occur within our body, and it is easy to take them as the causes of our behaviour. If we are asked why we have spoken sharply to a friend, we may reply, ‘because I felt angry.’ It is true that we felt angry before, or as, we spoke, and so we take our anger to be the cause of our remark. Asked why we are not eating our dinner, we may say, ‘because I don’t feel hungry’. We seem to be saying, ‘when I felt like this before, I have behaved in such and such a way.’ Feelings occur at just the right time to serve as causes of behaviour.” (Vroom and Deci, 1992, p. 33).**

We can sometimes explain an action by appealing to a certain desire, but people often act against their desires if, for example, they feel a moral obligation not to do what they desire to do (McNulty, 1990).

To push the organism into action there must be motivation of some kind, some dynamics (Adcock, 1983). He goes on to illustrate his point of view with the example of the steering mechanism stating that:

**“The steering mechanism of a car is of no use unless the engine is running and the car is in gear.” (Adcock, 1983, p. 25).**

After years of theory building and research according to Gibson et al., (1988), it is generally agreed that:

- 1- Behaviour is caused.
- 2- Behaviour is goal-oriented.
- 3- Behaviour that can be observed is measurable.
- 4- Behaviour that is not directly observable (for example, thinking, perceiving) is also important in accomplishing goals.
- 5- Behaviour is motivated.

Before going into any depth of the study of human behaviour, it is wise to establish the framework through which we will proceed in the literature.

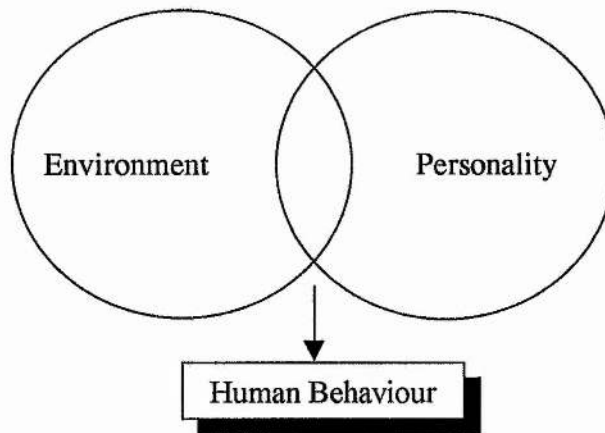
People seek to reduce various need deficiencies, need deficiencies trigger a search process for ways to reduce the tension they cause, and therefore a course of action is selected, and goal-directed behaviour occurs (Gibson et al., 1988). Numerous authors have proposed that behaviour is a result of values and attitudes (Cook and Slack, 1991; Homer and Kahle, 1988; Williams, 1968, 1979; Conner and Becker, 1979). They suggested that values provide a significant tool in the development of the individual's opinions and attitudes, which lead to specific decision-making behaviour. Cooke and Slack (1991) argue that values occupy an important position in the determination of human behaviour. These values will result in specific attitudes that in turn influence behaviour (Gordon, 1993). However, attitudes were found to influence behaviour by their influence on intentions, which are decisions to act in a particular way (Eagly & Chaiken, 1993). Williams (1968) mentions that a person's values are seen as the "criteria or standards of preference". Williams (1979) later argued that values have cognitive, affective and directional aspects, which can serve as criteria for judgement, desires and choice. He argued that "actual selections of behaviour result from concrete motivations in specific situations which are partly determined by the prior beliefs (attitudes) and values of the actor". Numerous scholars on the other hand have argued that behaviour is influenced by various environmental variables (Luthans, 1985; Gibson et al., 1988; Strong and Meyer, 1992).

Since human needs, values, and attitudes serve as personal factors, one may conclude that human behaviour is a result of the interaction between an individual's personality and the environment (Al-Adaily, 1995). This interaction is illustrated in Figure 2-1.



**FIGURE 2-1**

**PERSONALITY-ENVIRONMENT INTERACTION**



Source: Al-Adaily (1995)

## **2.2 HUMAN PERSONALITY**

Personality has been defined in a variety of ways according to the different conceptual approaches (Guilford, 1959; Carver and Scheier, 1992). The trait approach (Bilsky and Schwartz, 1994) seems one of the most important approaches to personality. As Guilford put it in 1959: "Personality is an individual's unique pattern of traits... a trait is any distinguishable, relatively enduring way in which one individual differs from others". According to this approach, several classes of personality traits could be used to characterise and compare individuals: they may include motivational traits (i.e., needs, attitudes) (Bilsky and Schwartz, 1994), or common traits (i.e., values) (Luthans, 1985). However, there are particular traits which are completely unique. Values may indeed, be viewed as a type of personal disposition (Bilsky and Schwartz, 1994). This suggestion is consistent with what Allport calls 'personal dispositions'. Allport's emphasis on personal dispositions is a

shift from the traditional common-trait approach to the uniqueness of human personality (Luthans, 1985).

### **2.2.1 Personality-Values Relationship**

The relationship between values and personality stems from the assumption that people's personalities are best known through their values or evaluative attitudes (Allport et al., 1960). Values are defined as "normative beliefs about proper standards of conduct and preferred or desired results" (Nystrom, 1990).

Although numerous scholars have suggested that both personality and values are linked (Furnham, 1984; Heaven, 1993; Bilsky and Schwartz, 1994; Yik and Tang, 1996), they are, nevertheless, dissimilar. Bilsky and Schwartz (1994) identified three major differences between values and personality traits: (Table 2.1)

- 1- Personality traits are commonly seen as descriptions of observed profiles of behaviour, whereas values are criteria individuals use to judge the desirability of behaviour, people, and events.
- 2- Personality traits vary in terms of how much of a characteristic individuals exhibit, whereas values vary in terms of the importance that individuals attribute to particular goals.
- 3- Personality traits describe individuals actions based on 'what persons are like' regardless of their intentions, whereas values refer to the individual's intentional goals that are available to consciousness.

The relationships between values and personality traits, however, are different based on whether the traits in question are derived from patterns of behaviour aimed at satisfying growth needs or deficiency needs (Bilsky and Schwartz, 1994). They indicate that values and traits are covariant if the traits are derived from behaviour patterns aimed at satisfying growth needs (e.g. curiosity). Thus, the person

characterised by the trait of curiosity is likely to attribute high importance to the value of curiosity and to disvalue boredom strongly. In contrast, Bilsky and Schwartz continue that values and personality traits are compensatory for traits derived from behaviour patterns aimed at satisfying deficiency needs (e.g. anxiety). Thus, they add that the person characterised as anxious is likely to attribute high importance to the value of security and to disvalue unexpected challenges strongly.

Although trait theories have given recognition to the continuity of personality as well as more statistical contributions to the personality tests and behavioural sciences (Luthans, 1985), they have not been successful in predicting human behaviour in different situations (Gibson et al., 1988). According to Gibson et al., this is due to the fact that trait theories ignore the situation aspect. It is suggested that trait theories are more descriptive than analytical and are a long way from being comprehensive theories of personality (Luthans, 1985).

**TABLE 2.1**  
**DISSIMILARITIES BETWEEN PERSONALITY TRAITS AND VALUES**

<i>Personality Traits</i>	<i>Values</i>
1- Describe the behaviour	Criteria to judge behaviour, people, events
2- Vary in terms of individuals' characteristics	Vary in terms of the importance of individuals' goals
3- Describe actions regardless of their intentions	Refer to the individual's intentional goals

### **2.3 ENVIRONMENTAL FORCES**

The second determinant of human behaviour is the environment in which the individual lives and works. Environment is considered to be an important element when studying individuals' behaviour. Gibson et al. (1988) argue that studying how

individuals behave without focusing on their environment results in unrealistic, incomplete, and misleading conclusions. Environment has been defined by numerous authors and scholars, however there appears to be general agreement that environment consists of a set of stimuli, forces, and conditions that surround and influence individuals' behaviour (Luthans, 1973; Gibson et al., 1988; Griffin, 1987). Luthans (1973) suggests that two types of environments, physiological and sociocultural, influence an individual's behaviour.

A- Physiological environment: refers to all physical aspects of the natural environment in which the individual lives. These aspects may include geographical phenomena, climate, populations, natural resources, etc. The importance of these factors in influencing human behaviour stems from the fact that a deficiency in any of these aspects will determine how the individual will behave within his or her environment.

B- Sociocultural environment: includes all the societal and cultural aspects of the society to which an individual belongs. Every society has its own traditions, customs, knowledge, and cultural values and attitudes which have developed over the years and have been passed on to its members to shape and guide their actions and behaviours.

Two types of environment are found to influence individuals' behaviour within organisations: internal and external environments (Griffin, 1987; Fritzsche, 1991).

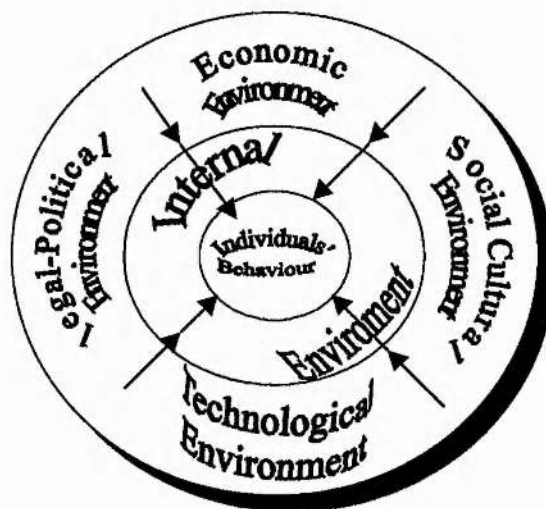
1- The internal environment of an organisation represents its culture, which consists of values, beliefs, goals, policies, and everything within the organisation that has an impact upon the decision-making behaviour of an individual by providing rationale and direction for that behaviour (Griffin, 1987; Fritzsche, 1991).



2- The external environment consists of those elements and factors which develop outside the organisation which might influence individuals, groups, and the organisation as a whole. The external environment consists of a number of factors and elements among which are the economic, technological, sociocultural, and political-legal factors (Griffin, 1987; Fritzsche, 1991).

Managers now realise that environmental forces affect the internal functioning of an organisation---the individuals, groups and total system (Gibson et al., 1988). There is general agreement on the idea that the interaction of multiple forces causes people, groups, and the organisation to behave in a certain manner. The influence of both internal and external environments on an individual's behaviour within organisations is diagrammed in Figure 2-2.

**FIGURE 2-2**  
**THE INFLUENCE OF INTERNAL AND EXTERNAL**  
**ENVIRONMENTS ON INDIVIDUALS' BEHAVIOUR WITHIN**  
**ORGANISATIONS**



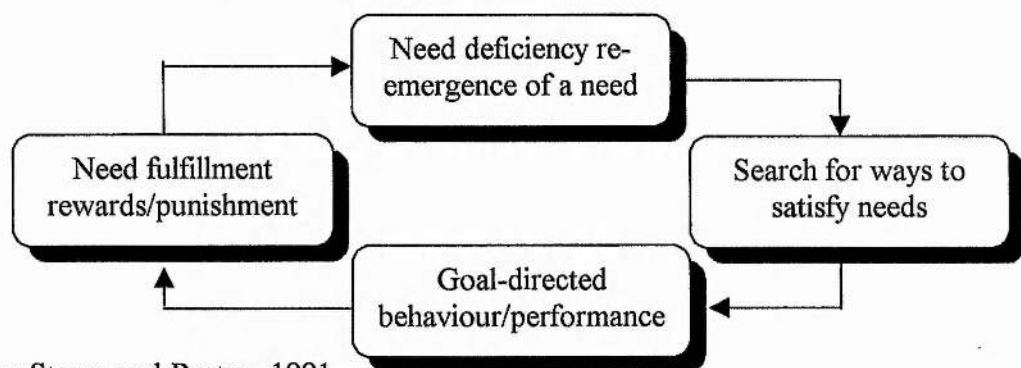
Managers are still convinced that environmental factors must be kept in mind when studying behaviours occurring within organisations (Gibson et al., 1988), because of their major role in determining an organisation's success or failure

(Griffin, 1987). The role of different environments in influencing individuals', groups' and organisations' activities will be discussed in detail in chapter 5. This chapter and the next will focus exclusively upon the clarification of the personal factors (needs, attitudes, and values) and their influences upon human behaviour.

## 2.4 HUMAN NEEDS AND BEHAVIOUR

Since human behaviour can be explained in terms of motives and desires, it is useful here to focus on those motives that could affect and direct an individual's behaviour. Motivation is the concept that could be used to describe the forces acting on or within an individual to initiate and direct behaviour. (Gibson et al., 1988). Steers and Porter, (1991) suggest that individuals possess (in varying strengths) various kinds of needs, desires, and expectations (e.g., a high need for affiliation, a strong desire for additional income, or an expectation that increased effort on the job will lead to promotion) (Steers and Porter, 1991).

**FIGURE 2-3**  
**THE MODEL OF MOTIVATIONAL PROCESS**



Source: Steers and Porter, 1991

In explaining the motivational process, Steers and Porter argue that the development of such a need, desire, or expectation generates a state of disequilibrium within the individuals which they will try to reduce (the energetic component). The

presence of these activators is related to an expectation or belief that certain actions will lead to the reduction of this disequilibrium (the goal-orientation component).

Steers and Porter go on to explain the chain of events indicating that on the basis of some combination of this desire to reduce the internal state of disequilibrium, and the anticipation or belief that certain actions should serve this purpose, individuals will act or behave in a certain manner that they believe will lead to the desired goal. The initiation of this action then sets up a series of cues, either within the individuals, or from their external environment, which feed information back to the individuals concerning the impact of their behaviour. Such cues may lead them to modify (or cease) their present behaviour, or they may reassure them that their present course of action is correct. While the general model of motivational process does not take into account all the influence on human motivation, it is illustrative of the basic nature of the process (Steers, 1991).

An example should clarify this process:

**“Individuals who have a strong desire to be with others (that have a high “need for affiliation”) may attempt to increase their interactions with those around them (behaviour) in the hope of gaining their friendship and support (goal). On the basis of these interactions, they may eventually reach a point where they feel they have enough friends and may then direct their energies toward other goals. Or, conversely, they may receive consistent negative feedback that informs them that their behaviour is not successful for goal attainment, and they may then decide to modify such behaviour. In either case, we can see the important moderating effect of feedback on subsequent behaviour and goal”.**  
(Stters and Porter, 1991, p. 7).

Two important theories of motivation will be presented, namely: Maslow's need hierarchy and Herzberg's two-factor theory. The Islamic model of individual needs will also be presented.

### 2.4.1 Maslow's Need Hierarchy

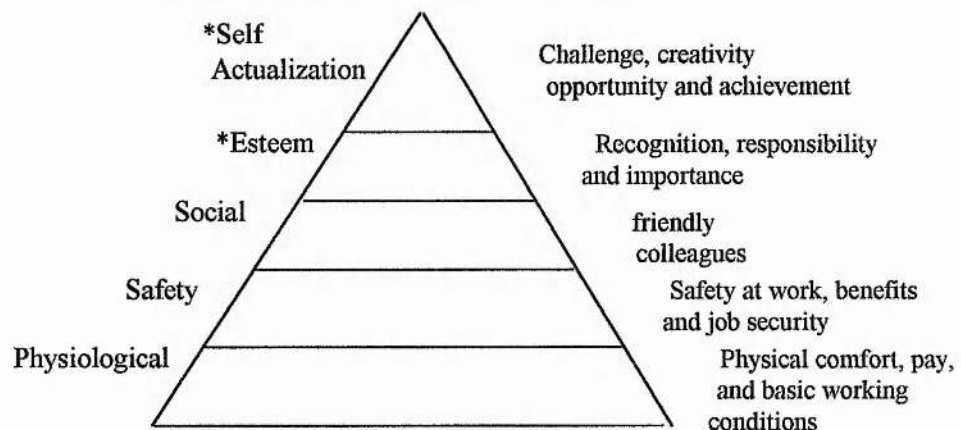
Beginning in 1935, Abraham Maslow developed the first needs theory, and it is still one of the most popular and well-known motivation theories (Gordon, 1993). As mentioned before, in order to push the organism into action there must be motivation of some kind (Adcock 1983), which can be explained by Maslow's work.

The basic assumption of all need theories is that when need deficiencies exist, individuals are motivated to act to satisfy them (Steers and Porter, 1991).

Maslow stated that individuals have five needs, arranged in a hierarchy from the most basic to the highest level: Physiological, safety, belongingness and love, esteem, and self-actualisation. (Gordon, 1993) (Figure 2-4).

Maslow's theory (as summarised by Gibson et al., 1988) assumes that a person attempts to satisfy the more basic needs (physiological) before directing (pushing) behaviour toward satisfying upper-level needs (self-actualisation).

**FIGURE 2-4**  
**MASLOW'S NEED HIERARCHY**



\* denotes a 'higher order' need

Source: Wilson and Rosenfeld (1990)

Maslow's hierarchy of needs has been widely studied by many authors and psychologists, and the needs he defined have intrigued scholars and researchers in the



field of organisational studies (Gibson et al., 1989; Hellriegel et al., 1989; Steers and Porter, 1991; Luthans, 1985, 1993; Gordon, 1993; Greenberg and Baron, 1995, 1997). In explaining human needs included in Maslow's hierarchy, Hellriegel et al., (1989) made the following important observations:

- 1- Physiological needs include food, water, air, and shelter. Employees who have strong physiological needs will accept any job that serves to reduce deficiencies of these needs. They argue that:

“Managers who focus on the physiological needs in attempting to motivate subordinates assume that people work primarily for money and are primarily concerned with comfort, avoidance of fatigue, and the like. These managers try to motivate employees by offering wage increases, better working conditions, more leisure time, longer breaks, and better fringe benefits.” (Hellriegel et al., 1989, p. 146).

- 2- Security needs refer to the needs for safety, stability, and absence of pain, threats, or illness. People who are motivated primarily by security needs value their jobs mainly as a defence against the loss of basic need satisfactions. They suggest that:

“Managers whose subordinates have strong security needs will not encourage innovation in solving problems and will not reward risk taking. The employees, in turn, will strictly follow rules and regulations.” (p. 146).

- 3- Affiliation needs refer to the needs for friendship, love, and a feeling of belonging. When affiliation needs are the primary source of motivation, people value their work as an opportunity for finding and establishing warm and friendly interpersonal relationships.

“Managers who believe that their subordinates are striving primarily to satisfy these needs are likely to act in a more supportive and permissive way, emphasising employee acceptance by co-workers, extracurricular activities (such as organised sports programs and company picnics) and group norms.” (p. 147)

- 4- Esteem needs include both personal feelings of achievement and self-worth and recognition or respect from others. People with esteem needs want others to accept

them for what they are and to perceive them as competent and able. Hellriegel et al. argue that:

“Managers who focus on esteem needs in their attempts to motivate employees tend to emphasise public rewards, and recognition of services. Acknowledgement of the work’s difficulty and the skills required for doing it successfully characterises the manager’s recognition of employees. These managers may use lapel pins, articles in the company paper, achievement lists on the bulletin board, and the like to promote their employees’ pride in their work.” (p. 147)

5- Self-actualisation needs refer to self-fulfilment. People who strive for self-actualisation experience acceptance of themselves and others and increased problem-solving ability. They point out that:

“Managers who emphasise self-actualisation may involve employees in designing jobs, make special assignments that capitalise on employees’ unique skills, or provide leeway to employee groups in planning and implementing work procedures.” (p. 147)

Maslow’s need hierarchy has been examined and investigated by many academics and scholars. One of the most well known studies was conducted by Wahba and Bridwell, (1976). In explaining Wahba and Bridwell’s investigation, Steers and Porter (1991) argue that although Maslow’s theory seems to be supported by some evidence, the extensive review of the results and findings of research on Maslow’s need hierarchy concluded with an ‘interesting paradox.’

In explaining this paradox, Steers and Porter are of the opinion that:

**“The theory is widely accepted but there is little research evidence to support it. This extensive review examined three propositions of Maslow’s model: (1) the existence of the hierarchy itself, (2) the proposition that an unfulfilled need leads individuals to focus exclusively on that need, and (3) the proposition that gratification of one need activates the next higher need.” (Steers and Porter, 1991, pp. 37-38).**

Based on their review of seventeen studies which examined the first proposition, they concluded that the results indicated that there was no clear evidence

showing that human needs are classified into five distinct categories, or that these categories are structured in any special hierarchy.

The second proposition, that unfulfilled needs lead individuals to focus exclusively on them, produced mixed results. Some studies supported this proposition while others failed to.

The third proposition, that lower-level needs must be filled before higher-level needs are activated, was also not supported. Apparently higher-level needs can influence behaviour even when lower-level needs are largely unfulfilled.

Although it would appear that Maslow's need hierarchy lacks empirical support, it continues to be a popular theory of motivation. It provides a useful model of personal development, especially since it was not proposed as a model of predicting behaviour, but rather as a model for describing a fully functioning human being (Steers and Porter, 1991).

#### **2.4.2 Herzberg's Two-Factor Theory**

According to Herzberg's theory of motivation, there are only two external factors that originate outside the individual to affect and direct his behaviour, unlike Maslow's five internal needs (Myers, 1991).

Professor Frederick Herzberg (chairman of the psychology department of Western Reserve University) carried out motivation analysis of 200 engineers and accountants and found that the levels of job satisfaction, motivation and productivity of engineers and accountants were closely related to two sets of factors: dissatisfiers and motivators (Myers, 1991). According to Myers these two factors could be explained as follows:

1. Dissatisfiers: These primarily refer to pay, supplemental benefits, company policy and administration, behaviour of supervisors, working conditions, and several other factors somewhat peripheral to the task. These factors were found to be more potent as dissatisfiers. High motivation does not necessarily result from their improvement, but dissatisfaction does result from their deterioration.
2. Motivators: These include the factors of achievement, recognition, responsibility, growth, advancement, and other matters associated with the self-actualisation of the individual on the job.

**TABLE 2.2**  
**HERZBERG'S TWO-FACTOR THEORY**

<i>Hygiene Factors</i>	<i>Motivators</i>
Company policy and administration	Achievement
Supervision, technical	Recognition
Salary	Work itself
Interpersonal relations, supervisor	Responsibility
Working conditions	Advancement

Source: Luthans (1989)

Job satisfaction and high production were associated with motivators, while disappointments and ineffectiveness were usually associated with dissatisfiers.

The developed results of Herzberg's work were termed the Motivation-Hygiene (M-H) theory. These terms are explained as follows:

Motivators refer to those factors which result in job satisfaction, while hygiene factors are those which merely prevent dissatisfaction (Wilson and Rosenfeld, 1990).

The following question is the central one asked of the employees chosen for Herzberg's interview (Myers, 1991):

**"Think of a time when you felt exceptionally good or exceptionally bad about your job, either your present job or any other job you have had." (Myers, 1991, p. 16)**



After an employee's description of a sequence of events that he felt good about ("favourable") was completely explored, he was asked about a different time when he felt the opposite ("unfavourable"). When asked to think of a time when they felt very good or very bad about their jobs, respondents tended to attribute the good things to themselves, and the bad things to the situation (Wilson and Rosenfeld, 1990).

For most individuals, according to the theory, a job has some factors that could lead to satisfaction. These factors are termed, according to Herzberg, as satisfiers or motivators such as: achievement, responsibility, growth, advancement, work itself, and earned recognition. A job is also influenced by some factors that may lead to dissatisfaction. These factors are known as dissatisfiers such as pay, supplemental benefits, supervision, working conditions, status, job security, company policy and administration. Individuals are termed by Herzberg either as motivation seekers who are essentially motivated by the nature of the task and have a high tolerance for poor environmental factors, or maintenance seekers who are motivated primarily by the nature of their environment and tend to avoid motivation opportunities. They are chronically preoccupied and dissatisfied with maintenance aspects of the job (Myers, 1991). However, in relation to Maslow's need hierarchy, Luthans (1989) points out that:

"Herzberg's theory is closely related to Maslow's need hierarchy. The hygiene factors are preventive and environmental in nature, and they are roughly equivalent to Maslow's lower-level needs. These hygiene factors prevent dissatisfaction, but they do not lead to satisfaction, and hence they do not motivate. Motivators only motivate humans on the job. They are roughly equivalent to Maslow's higher-level needs. Finally, an individual must have a job with challenging content in order to be truly motivated." (Luthans, 1989, p. 243)

A comparison between Maslow and Herzberg theories is illustrated in Table 2.3

**TABLE 2.3**  
**COMPARISON BETWEEN MASLOW'S HIERARCHY AND**  
**HERZBERG'S TWO-FACTOR THEORIES**

<i>Herzberg's Two Factors</i>	<i>Maslow's Hierarchy of Needs</i>
MOTIVATORS	SELF-ACTUALISATION
	ESTEEM Self others
	LOVE
HYGIENE FACTORS	PHYSIOLOGICAL

Source: Luthans (1989)

According to Gordon (1993), motivators meet the self-esteem and self-actualisation needs included in Maslow's hierarchy, whereas hygiene factors meet the physiological, safety, and social needs of Maslow's hierarchy. Herzberg's theory is criticised because of the research method used to collect data as well as the classification of some factors, especially pay, as both a motivator and a hygiene (maintenance) factor. His theory also ignores individual differences and may overemphasise the importance of pleasure as a desired outcome.

The validity of Maslow's hierarchy of needs and Herzberg's two-factor theory as fully appropriate theoretical frameworks does not seem established, although this is not to say that they are of no value. Herzberg's two-factor theory served, for example, to call attention to the importance of psychological growth as a basic condition for lasting job satisfaction (Wilson and Rosenfeld, 1990). More critically, they concluded:

**"Both theories (Maslow's and Herzberg's) are full of methodological problems and they would not meet the criteria demanded by modern social-science research." (Wilson and Rosenfeld, 1990, p. 68).**

### 2.4.3 Islamic Theory of Motivation

Unlike Maslow's need hierarchy and Herzberg's two-factor theory, three groups of basic needs were identified according to the Islamic model of the individual needs. The Islamic Model (Nusair, 1985) identifies three sets of basic needs:

- 1- Spiritual needs: These refer to the need for love, belongingness, trust, security, faith, loyalty and recognition.
- 2- Intellectual needs concern knowledge, thinking, observation, perception, experiment and speculation.
- 3- Physiological needs concern food, water, shelter, health and money.

The Islamic model is similar to Maslow's in that both explain human motivation in terms of internal factors and are therefore different from Herzberg's theory, which places emphasis upon the external factors of the environment and the impact of the job itself upon the individual.

The motivation theories of Maslow and Herzberg were both originally adapted in developed countries, where cultures and economies are highly different from those of developing or poorer countries. As a result of differing cultural and economical aspects, the individuals' needs, attitudes, and perceptions in developed countries are believed to be different from those of individuals in developing and poorer countries.

For example, in poorer countries where the majority of people are simply struggling for survival, the higher level expressions of self-esteem and self-actualisation do not play such a significant motivating role as in developed countries (Steers and Porter, 1991). A comparison between Maslow's need hierarchy, Herzberg's two-factor theory, and the Islamic model of the individual needs is presented below:



**TABLE 2-4**  
**A COMPARISON BETWEEN MASLOW'S, HERZBERG'S AND**  
**THE ISLAMIC MODELS OF MOTIVATION**

<i>Herzberg's Two-Factor Theory</i>	<i>Maslow's Hierarchy of Needs</i>	<i>Islamic Model of Individual's Needs</i>
Satisfiers/ Motivators	Self-Actualisation Self-Esteem	Intellectual Needs
	Love Safety	Spiritual Needs
Dissatisfiers	Physiological	Physiological

Having gained a useful idea about what motivates and directs people's behaviour in general, it is now time to explain the nature of administrative behaviour, particularly since the focus of the study is on executive managers and how their actions and perceptions relate to the success of their organisations. The next section will focus on the nature of administrative behaviour in terms of decision-making situations.

As mentioned before, most of the early theories that explained human behaviour were based on the classic economic theory which looks at behaviour as 'rational'. Gibson et al. (1988) described human behaviour as 'goal-oriented' based on Maslow's Need Theory. They believed that people select a course of action in order to reduce the tension caused by need deficiencies, which in turn precipitates goal-oriented behaviour. Based on this view, it is appropriate to focus our attention on rationality in administrative behaviour.

## **2.5 RATIONALITY IN ADMINISTRATIVE BEHAVIOUR**

Professor Herbert A. Simon (1976) made a valuable contribution to the research into administrative behaviour. In particular, he made a distinction between economic man and administrative man:



- 1- Whereas economic man maximises-----selects the best alternative from among all those available to him, the administrative man satisfies-----looks for a course of action that is satisfactory or "good enough". Examples of such satisfying criteria are "a share of the market", "adequate profit", and "a fair price".
- 2- Economic man deals with the "real world" in all its complexity. Administrative man makes his choices using a simple picture of the situation that takes into account just a few of the factors that he regards as most relevant and crucial.

However, in order for the rational administrator to make a correct decision, he must select the appropriate means to reach his designated ends. The rational administrator is concerned with the selection of these effective means.

According to Simon, rationality is concerned with the selection of preferred behaviour alternatives in terms of a system of values whereby the consequences of behaviour can be evaluated. Simon then classified decision-making behaviour, based on terms of "rationality", in the following way:

1. Objectively rational: if it is the correct behaviour for maximising given values in a given situation.
2. Subjectively rational: if it maximises attainment relative to the actual knowledge of the subject.
3. Consciously rational: to the degree that the adjustment of a means to an end is a conscious process.
4. Deliberately rational: to the degree that the adjustment of a means to an end has been deliberately brought about by the individual or by the organisation.
5. Organisationally rational: if it is oriented to the organisation's goals.
6. Personally rational: if it is oriented to the individual's goals.

Our concern focuses on "objective rationality" because of the high relevance of this type to both managers and organisations.

This type of rationality would imply that the subject moulds all of his/her behaviour into an integrated pattern by:

- A- Viewing behaviour alternatives prior to decision-making in a panoramic fashion.
- B- Considering the whole complex of consequences that would follow each choice.
- C- Singling out one value from the whole set of alternatives with the system of values as criterion.

According to Simon, actual behaviour falls short, in at least three ways, of objective rationality:

- 1- Rationality requires a complete knowledge and anticipation of the consequences that will follow from each choice. In actual fact, knowledge of consequences is always fragmentary.
- 2- Since these consequences lie in the future, imagination must supply the lack of experienced feeling in attaching value to them. Thus values can be only imperfectly anticipated.
- 3- Rationality requires a choice among all possible alternative behaviours. In actual behaviour, only a very few of all these possible alternatives ever come to mind.

The limits of rationality (Simon, 1976) have been seen to derive from the inability of the human mind to bring to bear upon a single decision all the aspects of value, knowledge, and behaviour that would be relevant. The pattern of human choice is often more nearly a stimulus-response pattern than a choice among alternatives. Human rationality operates, then, within the limits of the psychological environment. This environment imposes on the individual as "givens" a selection of factors upon which he or she must base his or her decisions. However, the stimuli of decision can themselves be controlled so as to serve broader ends, and a sequence of individual decisions can be integrated into a well-conceived plan.

Simon concluded that it is impossible for the behaviour of an individual to reach any high degree of rationality because the number of alternatives he/she must

explore is so great, and the information he/she would need to evaluate them will be so vast that even an approximation to objective rationality is hard to conceive.

With respect to this type of rationality (objective), Anderson and Kyprianou give the following point of view:

**“The capacity of the human mind for formulating and solving complex problems is very small compared with the size of the problems whose solution is required for objectively rational behaviour in the real world – or even for a reasonable approximation to such objective rationality.” (Anderson and Kyprianou, 1994, p. 189)**

These limitations in objective rationality have led psychologists and behaviourists to focus attention on those factors which actually could influence the decision-making process.

Anderson and Kyprianou (1994) argue that there are a number of behavioural factors which influence the decision-making process, such as our values, attitudes, perceptions etc. These factors therefore have a great effect on how we make decisions; for example, in establishing objectives, in developing alternatives, in choosing an alternative, in implementing a decision, and in evaluating that decision.

## **2.6 INDIVIDUALS' ATTITUDES**

Numerous authors in the field of social sciences have defined attitudes, and there appears to be a consensus on the description of the concept of attitudes. In explaining the nature of attitudes, Greenberg and Baron (1995) found that people hold strong opinions on their job environment:

**‘If we ask you how you feel about your job, we’d probably find you to be very opinionated. You might say, for example, that you really like it and think it’s very interesting. Or perhaps, you may complain about it bitterly and feel bored out of your mind. Maybe you’d hold views that are more complex, liking some things (e.g., “my boss is great”) and disliking others (e.g., “the pay is terrible” (Greenberg and Baron, 1995, p. 164).**

Eagly and Chaiken (1993) give the following point of view:

‘Some people support social policies such as legalised abortion or welfare assistance for the poor, and others oppose such policies. Some people endorse ideologies such as feminism or political conservatism, whereas others disapprove of them. Some people are satisfied with their jobs, and others are not’ (Eagly and Chaiken, 1993, p. 1).

Understanding individual differences such as these has been an enduring interest of social psychologists, who use the concept of ‘attitude’ to describe them (Eagly and Chaiken, 1993).

In relation to individuals’ behaviour, attitudes are described as ‘determinants of behaviour’ because they are linked with perception, personality, and motivation (Gibson et al., 1988). They add that an attitude is “a mental state of readiness, learned and organised through experience, exerting a specific influence on a person’s response to people, objects, and situations”, and have many sources such as: family, peer groups, society, and previous job experience.

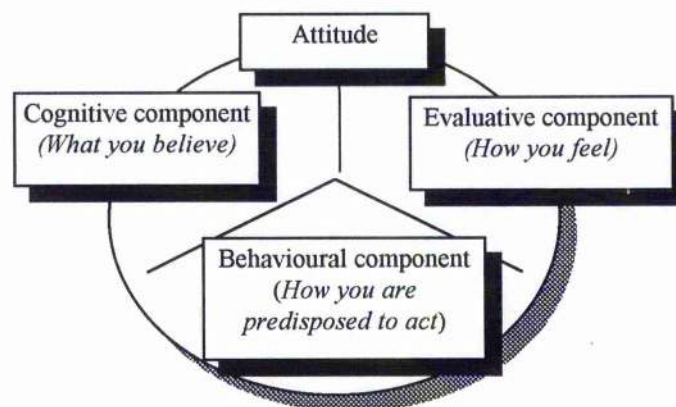
### **2.6.1 Attitude Components**

The attitudes you express (Greenberg and Baron, 1995) may be recognised as consisting of three major components: an evaluative component, a cognitive component, and a behavioural component. They add that ‘an evaluative component refers to our liking or disliking of any particular person, item, or event (what might be called the attitude object, the focus of our attitude). You may, for example, feel positively or negatively toward your boss, the sculpture in the lobby, or the fact that your company just landed a large contract. But attitudes involve more than feelings; they also involve knowledge—that is, what you believe to be the case about an attitude



object. For example, you might believe that one of your co-workers is paid much more than you, or that your boss doesn't know too much about the job. These beliefs, whether completely accurate or totally false, comprise the cognitive component.<sup>7</sup> These different components of attitude are depicted in Figure 2-5.

**FIGURE 2-5**  
**ATTITUDES: THREE BASIC COMPONENTS**



Source: Greenberg and Baron, (1995).

Greenberg and Baron continue that the things you believe about something (e.g., “my boss is embezzling company funds”) and the way you feel about it (e.g., “I can’t stand working for him”) may have some effect on the way you are predisposed to behave (e.g., “I think I’m going to look for a new job”). Attitudes have also a behavioural component—a predisposition of the individual to act in a certain way. However they suggest that this predisposition may not actually be predictive of behaviour because an intention to behave in a certain way may or may not dictate how an individual will actually behave.

### **2.6.2 Attitudes and Behaviour**

It can be suggested that the study of attitudes covers the full range of human behaviour and experience (Anderson and Kyprianou, 1994). They continue that we

develop attitudes toward people, objects, religions, politics, etc. Attitudes are 'relatively lasting feelings, beliefs, and behaviour tendencies directed toward specific persons, groups, ideas, issues and objects' (Anderson and Kyprianou, 1994).

In this regard, Kraus (1995) indicates that the attitude concept has played a central role in both scientific and lay attempts to understand human thought and behaviour. He calls attention to the importance of attitudes to behaviour as follows:

**"Perhaps the most fundamental assumption underlying the attitude concept is the notion that attitudes, in some way, guide, influence, direct, shape, or predict actual behaviour. When this assumption was seriously questioned in the 1960s, many concluded that attitude had become obsolete as a scientific construct. Although researchers have become increasingly optimistic about the attitude-behaviour relationship since that time, skepticism about the magnitude of attitude-behaviour correlations continues today, even among those who are relatively sympathetic to the attitude concept." (Kraus, 1995, p. 58).**

Attitude tendencies (Eagly and Chaiken, 1993) which evaluate an entity with some degree of favour or disfavour, are ordinarily expressed in cognitive, affective, and behavioural responses. This theory leads one to expect that people's attitudes are positively correlated with the evaluative implications of their overt behaviour. People who hold positive attitudes are expected to show behaviours that approach, support, or enhance the attitude object, and people who hold negative attitudes will show behaviours that reject, avoid, oppose, or hinder the object.

Anderson and Kyprianou, (1994) introduced an important caveat regarding the relationship between attitudes and behaviour saying:

**"For many years, it was thought that our behaviour was consistent with our attitudes. While there is little doubt that some attitudes are related to behaviour, it is now widely accepted that a simple, direct link between attitudes and behaviour does not exist." (Anderson and Kybrianou, 1994, p. 60).**

### **2.6.3 Attitudes' Function and Its Relation to Values and Behaviour**

Since the early 1970s, the study of individuals' attitudes in direct relationship with behaviour has received the increasing attention of researchers and scholars of social sciences (Ajzen and Fishbein, 1972, 1975, 1977; Rokeach and Kliejuans, 1972; Wilson et al., 1975; Heberlein and Black, 1976; Bearden and Woodside, 1977; Bentler and Speckart, 1979; Eiser and Pligt, 1988; Eagly and Chaiken, 1993; Kraus, 1995; Maio and Olson, 1995). The results and findings of these studies showed that the attitude-behaviour relationship is complex and influenced by other factors. But, before looking more closely at these factors, it will be useful to gain some insight into the relationship between attitudes, values, and behaviour. Attitudes have been found to be linked to values and behaviour. Gordon, (1993) suggests that individuals have certain beliefs and values that result in specific attitudes that in turn influence behaviour. Values are linked to attitudes in the sense that a value serves as a way of organising attitudes (Gibson et al., 1988). However, this relationship is expected to prevail only when attitudes are used to express values and not some other concerns, because the attitude function perspective implies that value-expressive attitudes should be the only attitudes that have strong relations to values; where there are attitudes that serve other functions, they should have weak or negligible relations to values (Maio and Olson, 1995).

Concerning the attitude-behaviour relationship, two important factors were found to have influences upon this relationship (Ajzen, 1988). In his theory of planned behaviour, Ajzen indicates that individuals' intentions to perform, as well as their behavioural control, seem to be significant variables in predicting individuals' behaviours. According to the theory, the extent to which one's intentions to perform

behaviours depends partly on the amount of control one has over the behaviour. Maio and Olson (1995) point out that: 'stronger intentions and greater perceived control are associated with a greater likelihood that the behaviour will be performed. Intentions, in turn, are best predicted by attitudes toward the behaviour, subjective norms, and perceived control. Attitudes toward the behaviour reflect the extent that the behaviour is favourably or unfavourably evaluated and subjective norms refer to the perceived social pressure to perform or not to perform the behaviour... Any other variables (e.g., values) are thought to influence intentions through attitudes, subjective norms, or perceived control...values may be linked with a sense of moral obligation to behave in specific fashion, which may affect behavioural intentions and behaviour independently of attitudes, norms, and perceived control.' (p. 272).

However, according to Maio and Olson, this suggestion remained speculative until the mediating role of moral obligation was directly examined by other studies. They suggested that knowledge of the predominant function of attitudes toward an object might help determine whether values will be an important predictor of attitudes and behaviour toward the object. The authors pointed out that:

**"The existence of a value-expressive attitude function might increase the likelihood that there will be relations between values and attitudes, intentions, or behaviours, but people's interpretations of the relation of the attitude object to their values also need to be considered." (Maio and Olson, 1995, p. 283).**

They concluded that the experiment reported in their article had demonstrated that attitude function can influence the relations between values and attitudes on the one hand, and values and behavioural intentions on the other. This experiment had also showed the relevance of attitude function to two major theories that are pertinent to the study of relations between values, attitudes, and behavioural intentions. Thus,



this experiment has contributed to the growing evidence that attitude functions have important implications for understanding attitudes and their relations to other constructs.

## 2.6.4 Attitudes-Behaviour Relations Models

The present study will now focus on the results and findings of the most important studies that have investigated the attitude-behaviour relationship. Ajzen and Fishbein, and Rokeach depicted the attitude-behaviour relationship in two important models. Before demonstrating their model formulations, it is useful to recall Fishbein's expectancy-value attitude model.

### FISHBEIN'S EXPECTANCY-VALUE ATTITUDE MODEL

$$A_o = \sum_{i=1}^n B_i a_i$$

Fishbein's definition is explained as (Wilson et al., 1975):

Where  $A_o$  = the attitude (liking) toward the psychological object (o);

$B_i$  = the likelihood that a concept (e.g., low price) is related to the attitude object (XYZ brand toothpaste);

$a_i$  = an evaluation of that related concept (e.g., how good or bad is low price?);

$i$  = a number of salient beliefs about the attitude object (o).

One limitation of Fishbein's model is that he fails to include certain critical notions. For example, he fails to recognise explicitly:

- a) behavioural intention as a precursor to behaviour;
- b) the importance of situational specificity; and
- c) the potential importance of socially-based beliefs (expectations) about the attitude object.

As a result of the above omissions, predicting behaviour through the expectancy-value model is weak (Wilson et al., 1975).

#### 2.6.4.1 Ajzen and Fishbein Model of Attitude-Behaviour Relationship

In their behavioural intentions model, Ajzen and Fishbein suggest that behaviour is more predictable (and understandable) if we focus on specific intentions to behave in a certain way rather than solely on attitudes towards behaviour (Anderson and Kyprianou, 1994). This model is also mentioned by Wilson et al., 1975. In their empirical test of the Fishbein behavioural intention model in a marketing context, they indicate that the behavioural intention model expands the earlier model of Fishbein to include behavioural intention, situational specificity, and normative beliefs. This model is illustrated in the following equation:

$$B \sim BI = [A_{act}]W_o + \left[ \sum_{i=1}^n (NB_i)(MC_i) \right] W_i$$

This is Ajzen and Fishbein's model, (1975).

Where: B = Overt behaviour (is approximately equivalent to...)

BI = Behavioural intention

A<sub>act</sub> = Attitude toward performing the behaviour in a given situation

NB<sub>i</sub> = The normative belief governing the behaviour from a number of salient referents

MC<sub>i</sub> = The motivation to comply with this referent power

W<sub>o</sub> and W<sub>i</sub> = Beta weights to be determined by regression analysis

Wilson et. al (1975) continue to give further explanations of the Ajzen and Fishbein model. They mention that Ajzen and Fishbein's study of 1972 suggested that there are two ways to determine the attitude toward the act—one based on beliefs and evaluation, while the second relies solely on evaluation.



The first model is

$$A_{act} = \sum_{i=1}^n B_{ia} a_i$$

Where:  $A_{act}$  = Attitude toward performing the behaviour in a given situation

$B_i$  = The likelihood that the performance of the stated behaviour will lead to some consequences (e.g., brushing with xyz brand toothpaste will give fresh breath)

$a_i$  = An evaluation of that consequence (e.g., is fresh breath good or bad?)

$i$  = A number of salient consequences about the behaviour

Fishbein and Ajzen 1975, suggest that the expectancy-value formulation of attitude is the most theoretically tractable: the magnitude of the attitude index does not increase indefinitely with the acquisition of new belief, because attitude is determined by a hierarchically organised, limited number of salient beliefs (Bentler and Speckart, 1979).

There are obvious similarities between Fishbein's  $A_o$  model and this interpretation of  $A_{act}$ . In much consumer research, one could reasonably expect little psychological or measurable difference between  $A_o$  and  $A_{act}$  unless significant exogenous variables are presented (Wilson et al., 1975).

Another measure of  $A_{act}$  can be obtained by summing the rating over a number of affective bipolar adjectives. This results in:

$$A_{act} = \sum_{i=1}^n E_{act}$$

Where:  $A_{act}$  = Attitude toward the act (e.g., using xyz brand toothpaste is....)

$E_{act}$  = Evaluative dimensions of the act (e.g., good-bad, foolish-wise, etc.)

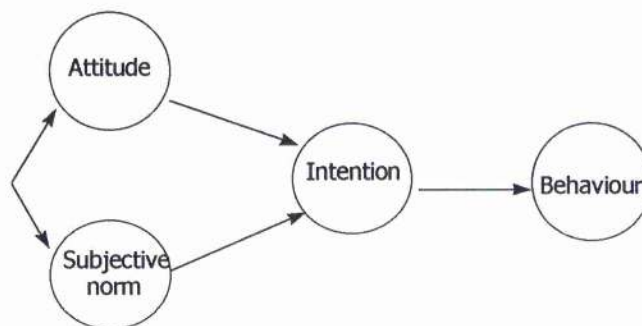
$i$  = A number of evaluative, bipolar adjectives

Fishbein and Ajzen (1977) suggest that low and inconsistent attitude-behaviour relations are attributable to low or partial correspondence between attitudinal entities.

To predict behaviour from attitude, the investigator has to ensure high correspondence between at least the target and action elements of the measures he employs.

Fishbein's model, which he and Ajzen came later to call the "theory of reasoned action", was presented more than twenty years ago and unquestionably provides a model of the psychological processes that mediate observed relations between attitudes and behaviour (Eagly and Chaiken, 1993). Fishbein (1967) and Fishbein and Ajzen (1975) suggested that the proximate cause of behaviour is the intention to engage in the behaviour. Attitudes influence behaviour by their influence on intentions, which are decisions to act in a certain way. The Fishbein and Ajzen model is presented in Figure 2-6.

**FIGURE 2-6**  
**FISHBEIN AND AJZEN'S EXTENDED MODEL**



Source: Eagly and Chaiken (1993)

The theory of reasoned action takes into account attitude toward behaviours, which enters the model as one of the determinants of intention, called subjective norm, and consists of a person's belief about whether significant other individuals think that he or she should engage in the behaviour. The model can be shown algebraically as follows:

$$B \sim BI = w1AB + w2SN$$



Where B is the behaviour, BI is the behavioural intention, AB is the attitude toward the behavioural act, SN is the subjective norm, and w1 and w2 are empirical weights. The Fishbein and Ajzen Model was supported by Wilson et al. (1975) in their empirical test of the Fishbein behavioural model. They indicate that:

- ◆ The Fishbein BI model was a better predictor compared to other models.
- ◆ A strong association between behaviour and behavioural intention was reported, and that the BI Model indirectly predicts behaviour.
- ◆ The BI model can be applied in a marketing context and that Aact and < NBMC are both important predictors of intention.

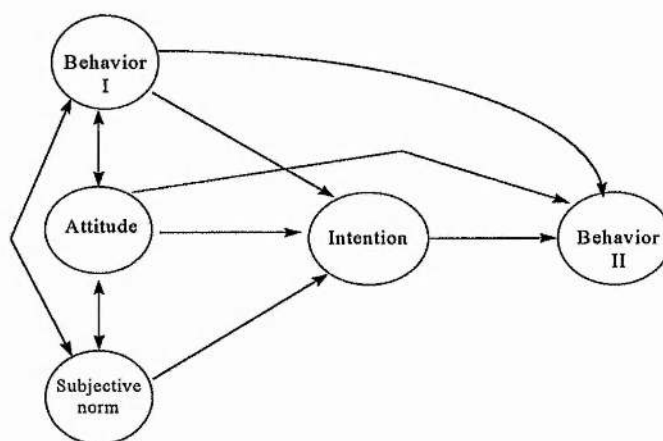
Although Wilson et al. (1975) supported the Fishbein and Ajzen model, Bentler and Speckart (1979) tested the model on 228 college students to study their drug consumption. Their findings suggested that intentions seem to be an insufficient mediator of future behaviour. According to Bentler and Speckart a more general alternative model is needed which examines the influence of past behaviour on present behaviour. They examined the influence of past behaviour on present behaviour, comparing the Fishbein-Ajzen model with a model that added a direct causal path from attitude to behaviour, not mediated by intention. They also presented a second alternative model that includes, in addition to the direct link between attitude and behaviour, another new independent variable, past behaviour, which was presumed to affect subsequent behaviour directly as well as indirectly through its impact on intention. Bentler and Speckart's attitude-behaviour model incorporating past behaviour is represented in Figure 2-7.

The extended model of Bentler and Speckart was tested by several studies (Bentler and Speckart, 1981; Gibbs and Kahle, 1983; Echabe, Rovira, and Garate, 1988). The results and findings of these studies showed that the prediction of

behaviour was improved by the addition of past behaviour or self-reported habit to the Fishbein-Ajzen model or to the prediction achieved only on the basis of intention.

Due to the limitations and problems associated with the theory of reasoned action, Ajzen suggested an alternative theory of planned behaviour that largely expands the Fishbein-Ajzen model (Ajzen, 1985, 1991).

**FIGURE 2-7**  
**BENTLER AND SPECKART ATTITUDE-BEHAVIOUR MODEL**



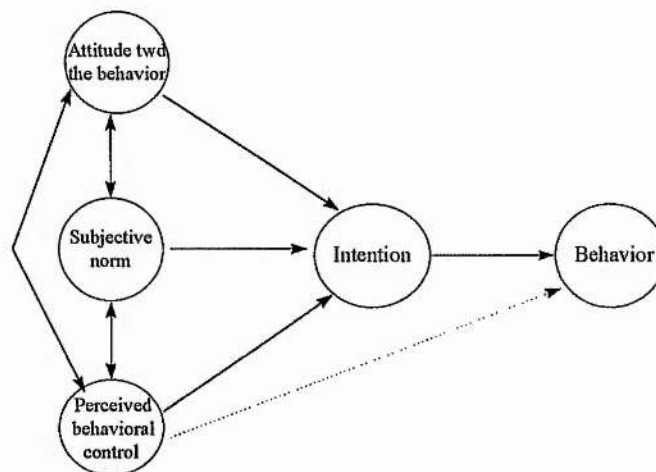
Source: Eagly and Chaiken (1993)

According to Ajzen (1985), the extent to which intentions to perform behaviours can be carried out depends in part on the amount of control which can be exerted on the behaviour (Eagly and Chaiken, 1993). The role of perceived behavioural control in the theory of planned behaviour is depicted in Figure 2-8. According to the theory, perceived behavioural control affects behaviour in two ways: it influences intention to perform the behaviour, and it may have a direct impact on behaviour.

Although research in quite a few domains suggests that the addition of perceived control to the reasoned action model results in a more comprehensive

theory, when applied to behaviours that require skills and resources and thus do not occur merely because people decide to act (Eagly and Chaiken, 1993), there are several aspects of the theory that warrant scrutiny. Firstly the theory is worth investigating because it suggests that people intend to become involved in actions because they have control over them. Secondly, it introduces just one variable (perceived behavioural control). Other variables such as habit, perceived moral obligation, and self-identity may predict intentions and behaviour even when the terms of the reasoned action model have been taken into account.

**FIGURE 2-8**  
**AJZEN'S THEORY OF PLANNED BEHAVIOUR**



Source: Ajzen (1991)

These additional variables may also predict when the terms of the planned behaviour model have been taken into account. Finally, the theory does not articulate the processes by which people formulate and act on plans.

In short, the theory of planned behaviour is limited because all it succeeds in doing is introducing the behavioural control term that predicts weakened intentions for less controllable behaviours, and lowered likelihoods of engaging in them. Nevertheless, how do people plan, and how does planning relate to perceived

behavioural control? Perhaps as people engage in the cognitive processes of planning and identify a route for attaining a desired goal, they view their control over their behaviour as increasing (Eagly and Chaiken, 1993).

#### 2.6.4.2 Rokeach's Attitude-Behaviour Model

A complete version of Rokeach's framework for the influence of attitudes and situations on behaviour is depicted in the following equation (Bearden and Woodside, 1978):

$$Bos = [Ao] W1 + [As] W2 + [AoAs] W3$$

Where: Bos = behaviour with respect to an object within a situation,

Ao = attitude toward the object,

As = attitude toward the situation,

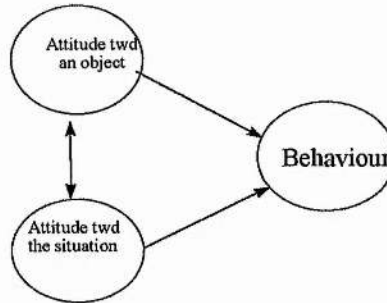
AoAs = attitudes toward the object and the situation weighted by the importance of each,

w1, w2, w3 = empirically determined standardised regression coefficients.

Rokeach's model of behaviour as a function of the interaction between attitude toward an object and attitude toward a situation is diagrammed in Figure 2-9. An empirical study was adopted by Rokeach and Kliejuans (1972) to examine the relationships between attitudes and behaviour in the context of Rokeach's conception of attitude. Rokeach and Kliejuans suggest that "behaviour-with-respect-to-an-object-within-a-situation is a function of two interacting attitudes: attitude-toward-the-object (Ao) and attitude-toward-the-situation (As)". This explanation of behaviour attempts to account for the realisation that if attention is focused solely upon attitudes toward the object as predictors of behaviour, inconsistencies will certainly occur between expressed attitudes and behaviour (Bearden and Woodside, 1978).



**FIGURE 2-9**  
**ROKEACH'S SITUATIONAL ATTITUDE MODEL**



This approach, Bearden and Woodside add, adopts the hypothesis that attitudes toward situations may directly influence behaviours which occur within those situations, and that direct consideration attitudes toward situations may more fully explain behaviour.

The results of their study add support to the general assumption that behaviour can be more accurately predicted than is widely supposed from knowledge of verbally expressed attitudes. Finally, they suggested that the prediction of behaviour with respect to an object within a situation will be more accurate when based on knowledge of the cognitive interaction between Ao and As, than when based on knowledge of either attitude alone.

The literature presented in this chapter focused upon the role of human needs and attitudes as two types of traits of human personality. These traits are called motivational traits and it was shown that both types of traits (needs and attitudes) play an important role in motivating and predicting an individual's behaviour. Since values are the main focus of this study, the next chapter will focus exclusively upon studies and theories relating to values in an attempt to clarify the importance of human values to behaviour. By clarifying the significant connection between human values and

behaviour, an integrated theory will then be presented regarding those factors that influence human behaviour in general, and individuals' behaviour in the workplace in particular. Such background information will provide a potential tool for the empirical part of this research.

## **CHAPTER THREE**

### **LITERATURE REVIEW ON THE STUDY OF HUMAN VALUES**

# **CHAPTER THREE**

## **LITERATURE REVIEW ON THE STUDY OF HUMAN**

## **VALUES**

### **3.1 INTRODUCTION**

The central focus of this work is to study human values as a significant determinant of human behaviour.

This chapter will review the results of the studies conducted by well-known scholars and authors in the field of social psychology. The theories and approaches developed by these scholars to explain the importance of values empirically in the managerial context will also be presented. Before looking at the details of these studies in depth, however, it will be useful to review work carried out on the nature of values as a starting point in the study of human values.

### **3.2 VALUES' NATURE AND DEFINITION**

Numerous scholars have defined values in different ways. Kluckhohn (1951) defines a value as "A conception, explicit or implicit...which influences the selection from available modes, means, and ends of action." Values are also defined "as normative beliefs about proper standards of conduct and preferred or desired results" (Nystorm, 1990). According to Rokeach (1973), a value is an "enduring belief that a specific mode of conduct or end-state of existence is personally or socially preferable to an opposite or converse mode of conduct or end-state of existence". Rokeach offers five assumptions about the nature of values (Akaah and Lund, 1994):

- 1- values are relatively small in number,
- 2- individuals possess similar values in varying degrees,



- 3- values are organised into a value system,
- 4- the antecedents of values are society, institutions, and personality, and
- 5- the consequences of values are manifested in virtually all phenomena.

Akaah and Lund clarify these five assumptions as follows:

The first assumption that values are relatively small in number is apparent when values are compared with opinions and attitudes. The writers indicate that while values are deep-rooted and pervasive in nature, opinions and attitudes are situation-bound. This means that individuals establish thousands of opinions and attitudes, but only a limited number of values. As a result, a single value could underlie numerous opinions and attitudes. This, paired with the second assumption that individuals have similar values in varying degrees, serves to enhance the feasibility of values as behavioural correlates. With respect to the third assumption that values are an organised system, the writers suggest that this assumption is derived from the fact that values represent an enduring set of beliefs which provide appropriate guidelines for behaving or end-states to strive for. The fourth assumption points out that such appropriate guidelines are culturally based, as opposed to being absolutes/norms set down in natural law. Finally, Rokeach's fifth assumption that the consequences of values are manifested in virtually all phenomena emphasises the importance of values as ethics correlates. Values are believed to influence every facet of human behaviour, because of their potentiality to individuals' personality and cognitive structure. According to Rokeach, values are determinants of all kinds of behaviour that can be called social behaviour such as evaluations, moral judgements and justification of self and others, comparisons of self with others, presentation of self to others, and attempts to influence others". Fritzsche also believes that, although value definitions differ, there appears to be a consensus that values influence behaviour (1995). Based

on these assumptions on the nature and definition of the concept of values, the study will now present a summary of the well-known studies and theories in the field of human values.

### 3.3 PORTER'S VALUES HIERARCHY

Maslow (quoted in Rowe and Boulgarides, 1992) was one of the early proponents of equating values to needs. He claimed that physiological, safety, social, self-esteem and self-actualisation needs motivate an individual's behaviour. He defined the final or self-actualisation need as "realising the potentialities of the person... becoming fully human, everything that the person can become". According to Maslow, as each lower level need (value) was filled, an individual would move to the next higher level of need (value). Porter (1968) utilised Maslow's need hierarchy in his own study and came up with a hierarchy of managerial values which consists of five values (see also Rowe and Boulgarides, 1992). Porter believed that managers' physiological needs were already satisfied and could be replaced by a need at a higher level (safety need). Porter's system of values was investigated by Boulgarides, 1973, who suggested that the five levels proposed by Porter could be reduced to less than four (Rowe and Boulgarides, 1992) (Table, 3.1).

**TABLE 3.1**  
**MASLOW-PORTER VALUES COMPARISON**

<i>Maslow</i>	<i>Porter</i>
Self-actualisation	Self-actualisation
Esteem	Autonomy
Social	Esteem
Safety	Social
Physiological	Safety

Source: Rowe and Boulgarides (1992)

### **3.4 EDUARD SPRANGER'S TYPES OF MEN (classification of human values)**

The German philosopher Eduard Spranger, was one of the first to propose a system of six values: theoretical, economic, aesthetic, social, political, and religious (Rowe and Boulgrades, 1992). By his classification of values, Spranger covered a large part of the psychology of human personality. The values categories developed by Spranger are based on the relative strength of, and the relationship between, the six classes of values. Allport et al. (1970) in their study of values provided a useful description of Spranger's six types of men as follows:

**1- The Theoretical Man:** The dominant interest of the theoretical man is the discovery of truth. In the pursuit of this goal he characteristically takes a "cognitive" attitude, one that looks for identities and differences; one that divests itself of judgements regarding the beauty or utility of objects. He seeks only to observe and to reason, since the interests of the theoretical man are empirical, critical, and rational. He is necessarily an intellectualist, frequently a scientist or philosopher. His chief aim in life is to order and systemise his knowledge.

**2- The Economic Man:** The economic man is characteristically interested in what is useful. Based originally upon the satisfaction of bodily needs (self-preservation), the interest of utilities develops to embrace the practical affairs of the business world--- the production, marketing, and consumption of goods, the elaboration of credit, and the accumulation of tangible wealth. This type is thoroughly "practical" and in conflict with other values. The economic man wants education to be practical, and regards unapplied knowledge as waste. Great feats of engineering and application result from the demands economic men make upon science. The value of utility

likewise conflicts with the aesthetic value, except when arts serve commercial ends. In his personal life the economic man is likely to confuse luxury with beauty. In his relations with people he is more likely to be interested in surpassing them in wealth than in dominating them (political attitude) or in serving them (social attitude). In some cases the economic man may be said to make his religion the worship of Mammon. In other instances, however, he may have regard for a traditional God, but inclines to consider Him as giver of good gifts, of wealth, prosperity, and other tangible blessings.

**3- The Aesthetic Man:** The aesthetic man prizes harmony as the highest value. Each single experience is judged from the standpoint of grace, symmetry, or fitness. He regards life as a procession of events; each single impression is enjoyed for its own sake. He need not be a creative artist, nor need he be effete. He is aesthetic if he finds his chief interest in the artistic episodes of life. The relation of this aesthetic value to other categories of values is as follows: The aesthetic attitude is, in a sense, diametrically opposed to the theoretical; the former is concerned with the diversity, and the latter with the identities of experience. To the aesthetic man, truth is considered as equivalent to beauty. In Spranger's words: "to make a thing charming is a million times more important than to make it true" (quoted in Allport et al. 1960). In the economic sphere the aesthete sees the process of manufacturing, advertising, or trade as a wholesale destruction of the values most important to him. In social affairs he may be said to be interested in persons but not in the welfare of persons. He tends toward individualism and self-sufficiency. Aesthetic people often like the beautiful insignia of pomp and power, but oppose political activity when it makes for the



repression of individuality. In the field of religion they are likely to confuse beauty with pure religious experiences.

**4- The Social Man:** This type values love of people most highly. He values the altruistic or philanthropic aspects of love. The social man prizes other persons as ends, and is therefore himself kind, sympathetic, and useful. As for other values, he is likely to find theoretical, economic, and aesthetic attitudes cold and inhuman. In contrast to the political type, the social man regards love itself the only suitable form of human relationship. The social man is selfless and tends to fit the religious attitude model in its purest form most closely.

**5- The Political Man:** The political man is interested primarily in power. His activities do not necessarily take place within the narrow field of politics. Leaders in any field generally value power highly. Since competition and struggle play a large part in all life, many philosophers have seen power as the most universal and most fundamental of motives. There are, however, certain personalities in whom the desire for a direct expression of this motive is uppermost, who wish for personal power, influence, and renown above all else.

**6- The Religious Man:** Unity is the most important value for the religious man. He is mystical, and seeks to comprehend the cosmos as a whole, to relate himself to its embracing totality. His mental structure is permanently directed to the creation of the highest and most absolutely satisfying value experience. Some men of this type are "immanent mystics," that is they find their religious experience in the affirmation of life and in active participation therein. With his zest and enthusiasm, the religious man sees something divine in every event. The "transcendental mystic", on the other

hand, seeks to unite himself with a higher reality by withdrawing from life; he is the ascetic, and finds the experience of unity through self-denial and mediation. In many individuals the negation and affirmation of life alternate to yield the greatest satisfaction.

Spranger does not allow for formless or valueless personalities nor does he allow for those who follow an expedient of life or hedonistic philosophy of life. Spranger does not mean to imply that a given man belongs exclusively to one or another of these types of values. His depictions are constructed entirely in terms of "ideal types" (Allport et al., 1970).

In a discussion of the study of values like the present one, it is convenient to have this brief characterisation of Spranger's types at hand.

### **3.5 KLUCKHOHN AND STRODTBECK (Classification of Value Orientations)**

Variations in the value orientations of whole societies, of subgroups within societies, and of the individual persons who are the actual carriers of culture, form the central focus of Kluckhohn and Strodtbeck's work (1961). They believe that one way to approach the problems of cultural variation is to deal with the variability in the highly generalised elements of culture which are called value orientation. To do so, they developed a classification of value orientation. Before carrying out such classification, it will be helpful to define and clarify the concept of value orientation.

Although value orientations are complex, they are, nevertheless, patterned (rank ordered) principles, resulting from the transactional interplay of three distinguishable elements: the cognitive, the affective, and the directive, which give order and direction to the ever-flowing stream of human acts and thoughts as these

relate to the solution of "common human" problems. These principles are variable from culture to culture in the ranking patterns of component parts which are themselves cultural universals. The variation is expressed in degrees of conscious awareness individuals have of the value orientations which influence their behaviour, and on the continuum from the completely implicit to the completely explicit.

According to Kluckhohn and Strodtbeck, the classification of value orientation relies on four basic assumptions, summarised as follows:

- 1- There is a limited number of common human problems for which all people at all times must find some solution.
- 2- Variability exists in finding solutions to all problems and within the range of all possible solutions.
- 3- All alternatives of all solutions are present in all societies at all times but are differentially preferred.
- 4- The fourth and basic assumption is that there is always a rank ordering of the preferences of the value-orientation options.

In order to reach solutions to human problems, the problems themselves should be identified efficiently. Kluckhohn and Strodtbeck have tentatively specified five problems as common to all human groups and from which value orientations have been determined. These problems are formed in the following questions:

- 1- What is the character of innate human nature? (human nature orientation)
- 2- What is the relation of man to nature (and supernature)? (man nature-orientation)
- 3- What is the temporal focus of human life? (time orientation)
- 4- What is the modality of human activity? (activity orientation)
- 5- What is the modality of man's relationship to other men? (relational orientation)

The five value orientations suggested by Kluckhohn and Strodtbeck are presented in Table 3.2.

**TABLE 3.2**  
**THE FIVE VALUE ORIENTATIONS AND THE RANGE OF**  
**VARIATIONS POSTULATED FOR EACH**

<i>Orientation</i>	<i>Postulated Range of Variations</i>					
<i>Human nature</i>	Evil		Neutral	Mixture of	Good	
	Mutable	immutable	Mutable	Good-and-Evil immutable	Mutable	immutable
<i>Man-nature</i>	Subjugation-to-Nature		Harmony- with-Nature		Mastery-over-Nature	
<i>Time</i>	Past		Present		Future	
<i>Activity</i>	Being		Being-in-Becoming		Doing	
<i>Relational</i>	Linearity		Collaterality		Individualism	

Source: Klukhohn and Strodbeck, 1961

### **(1) Human Nature Orientation**

Human nature orientation refers to the innate goodness or badness of human nature. There are three logical divisions of human nature: Evil, Good-and-Evil, and Good. It can, for example, be conceived as Evil and unalterable, or Evil and perfectible, as Good and unalterable or good and corruptible, as an invariant mixture of Good-and-Evil or a mixture subject to influence.

### **(2) Man-Nature (-Supernature) Orientation**

There is a three-point range of variation in the relations of man to nature. These points (orientations) are as follows:

- A- Subjugation-to-Nature orientation
- B- Harmony-with-Nature orientation
- C- Mastery-over-Nature orientation

### **(3) Time Orientation**

This type of orientation refers to the possible cultural interpretations of the temporal focus of human life. In terms of time consideration, peoples' orientation might break easily into the three-point range of: a) past oriented, b) present oriented, and c) future oriented.



#### **(4) Activity Orientation**

Activity orientation is described as the modality of human activity. Kluckhohn and Strodtbeck suggested a threefold range of variation in solutions to the problem concerning the modality of human activity. This range is expressed as (Being, Being-in-Becoming, and Doing). Activity orientation centres solely on the problem of the nature of man's mode of self-expression in activity. In the first variation, the Being orientation, the preference is for the kind of activity which is a spontaneous expression of what is conceived to be "given" in the human personality. The focus in this kind is on the "isness" of the personality. The second variation Being-in-Becoming orientation is concerned with what the human being is, rather than what he can accomplish. This orientation emphasises the "self development" as an integrated whole. The third variation Doing orientation, focuses on the type of activity that results in "accomplishments".

#### **(5) Relational Orientation**

Relational orientation is defined in terms of problems concerning the relationship of man to others. This orientation has three aspects according to the authors: the Lineal, the Collateral, and the Individualistic relational aspects, and are analytical concepts for the purpose of making fine distinctions both within and between systems and subsystems. There are, for example, important variations within social systems and subsystems, as well as between systems in the nature of the primacy of certain goals of the last three principles of relational orientation.

- A) When the individualistic principle is dominant, individual goals have primacy over the goals of others. This individual then becomes selfish because his interests come first and he disregards the interests of others.
- B) A dominant collateral orientation means a primacy of the goals and the welfare of the laterally extended group. The group in this case is always moderately

independent of other similar groups, but the continuity of such group relationships through time is not critical.

- C) If the lineal type is dominant, the group's goals will have primacy but the continuity of this orientation among the group becomes an increasingly crucial issue.

The writers suggested that the relationship between the behaviour of people of any society and value orientations is possible if two things are present: (i) A particular ordering of value orientations; (ii) A predominance of particular behaviour spheres. The authors also indicated that variations in value orientation are the most complicated type of cultural variation and are required by the fact that in every society there are several more or less well differentiated types of activities (actions), all of which are essential to its successful functioning. Kluckhohn and Strudtbeck pointed out that:

**"To function successfully every society must have within it some persons, either individual persons or groups of persons, who will devote themselves to the differing activities of the several behaviour spheres. And, if the activities of the differing spheres are to be adequately performed, it is necessary that a majority of persons choosing each sphere have the rank order of value orientations which provides the motivations proper to the sphere." (Kluckhohn and Strudtbeck, 1961, p. 31).**

### **3.6 ENGLAND'S STUDY OF VALUES**

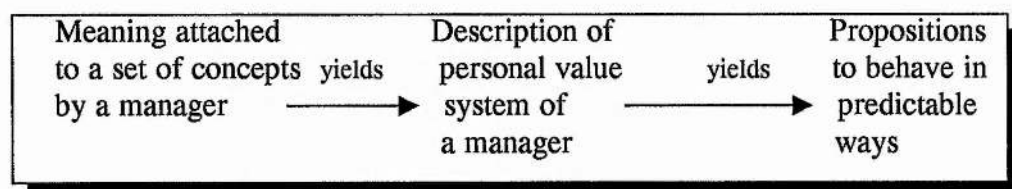
G. W. England carried out one of the key studies of managerial values on over a thousand American managers (Cook and Slack, 1991). England's study of values (1967) came from his belief that:

1. Personal value systems influence a manager's perception of the situations and problems he faces.
2. Personal value systems influence a manager's decisions and solutions to problems.

3. Personal value systems influence the way in which a manager looks at other individuals and groups of individuals; they influence the interpersonal relationships.
4. Personal value systems influence the perception of individual and organisational success as well as their achievement
5. Personal value systems set the limits for the determination of what is and what is not ethical behaviour by a manager.
6. Personal value systems influence the extent to which a manager will accept or will resist organisational pressures and goals.

In this study of values, England was concerned with the meanings attached to his concepts to determine the personal value systems of managers. In addition he was concerned with a particular set of concepts in order to give particular meanings that could describe the personal value system of the manager, which in turn will be related to his behaviour in understandable ways. This assumption is illustrated in Figure 3-1. These concepts number 66 in total and are categorised into five classes: goals of business organisations, personal goals of individuals, groups of peoples, ideas associated with people, and ideas about general topics (Table 3.3).

**FIGURE 3-1**  
**ENGLAND'S ASSUMPTION OF CONCEPT, VALUES,**  
**BEHAVIOUR RELATIONSHIP**



Source: England and Keaveny (1969)

To accomplish his study, England developed a 'Personal Value Questionnaire' (PVQ) in which he used four scales to represent four modes of valuation. One primary and three secondary modes.

1- The Power Mode (Primary) —————→ (important-unimportant scale)

The rationale behind the use of this scale is based on the fact that the general value of objects or ideas to an individual is largely a function of how important or unimportant he thinks the object or idea is. Because of concern about the behavioural effect of values, it was necessary to determine why individuals thought certain concepts were important or unimportant. To do this, England used three secondary modes of valuation:

2- The Pragmatic Mode —————→ Successful Scale

3- The Ethical-Moral Mode —————→ Right Scale

4- The Effect or Feeling Mode —————→ Pleasant Scale

England reasoned that a combination of both primary and secondary modes of valuation would be a better predictor of the likely behaviour of a manager than would either mode on its own.

For example, if manager A was generally pragmatically oriented (e.g., when he said something was important, he was most apt to see it as successful as opposed to right or pleasant), his behaviour would be predicted best by viewing it as a joint function of those concepts he thought were important and his pragmatic orientation as represented by those concepts he viewed as successful. On the other hand, individual B who was generally ethically-morally oriented (e.g., when he said something was important, he was most apt to see it as right as opposed to successful or pleasant) would behave in a way which is predicted by the joint function of those concepts considered important or right. England suggested that in a more general sense a



manager's behaviour (insofar as it is influenced by his personal values) is best explained by utilising both those things he considers important and his personal modes of orientation. This can be expressed symbolically as:

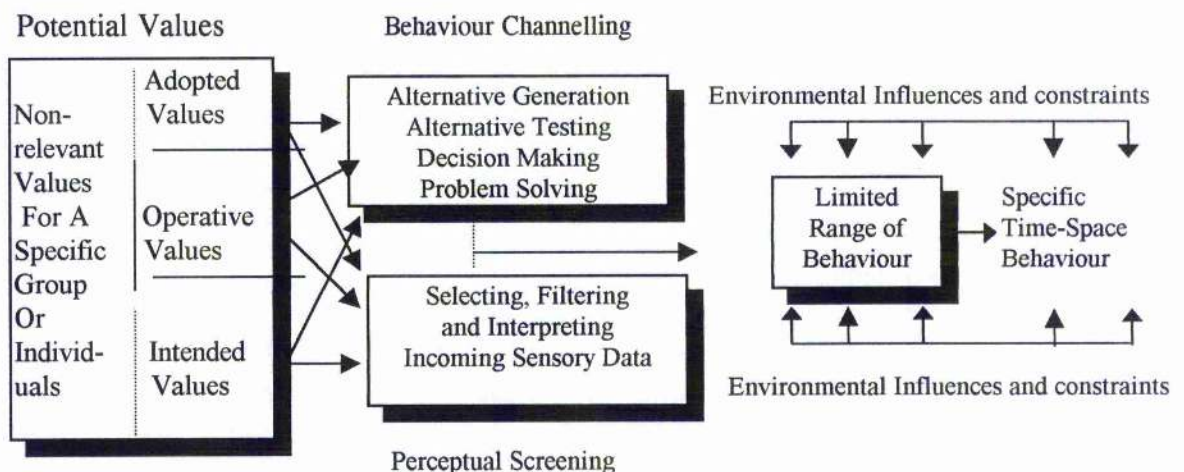
$$B = f(I \wedge PO)$$

England utilised the theoretical model needed for his study named the Theoretical Model of Specific Time-Space Behaviour to study the personal value systems of 1072 American managers. In his model, two major classes of personal values are recognised:

- 1- Operative Values: Those that have greatest influence on behaviour.
- 2- Intended and Adopted Values: Those that do not directly influence behaviour.

Two primary ways are given in which values can influence behaviour: Channelling and perceptual screening (Figure 3.2).

**FIGURE 3-2**  
**THEORETICAL MODEL OF SPECIFIC TIME-SPACE**  
**BEHAVIOUR**



Source: England and Keaveny (1969)

**TABLE 3.3**  
**CONCEPTS USED TO MEASURE MANAGERS' VALUES**

<i>Goals of Organisation</i>	<i>Personal Goals of Individuals</i>	<i>Groups of People</i>
High productivity	Leisure	Employees
Industry leadership	Dignity	Customers
Employee welfare	Achievement	My co-worker
Organisational stability	Autonomy	Craftsmen
Profit maximisation	Money	My boss
Organisational efficiency	Individuality	Managers
Social welfare	Job satisfaction	Owners
Organisational growth	Influence	My subordinates
	Security	Labourers
	Power	My company
	Creativity	Blue collar workers
	Success	Government
	Prestige	Stockholders
		Technical employees
		Me
		Labour unions
		White collar employees

<i>Ideas Associated with People</i>	<i>Ideas about General Topics</i>
Ambition	Authority
Ability	Caution
Obedience	Change
Trust	Competition
Aggressiveness	Compromise
Loyalty	Conflict
Prejudice	Conservatism
Compassion	Emotions
Skill	Equally
Cooperation	Force
Tolerance	Liberalism
Conformity	Property
Honour	Rational
	Religion
	Risk

Source: England (1967)

The managerial value profile developed by England to study 1072 managers, indicates the responses of these managers to the 66 concepts in value terms with implications for behaviour. This profile is shown in Figure 3-3.

From this empirical study of personal value systems on American managers, England explored the following results:

- 1- Personal value systems of managers can be measured meaningfully even though such systems are complex in nature.
- 2- There is a general value pattern as well as a great deal of variation in value systems from individual to individual.
- 3- Personal values operate at the level of corporate strategy and goals as well as at the level of day-to-day decisions.
- 4- Managers' personal value systems influence and were influenced by the organisational environment
- 5- Differences in personal value systems help to explain the nature of conflict between individuals while similarity of value patterns is responsible for most accommodation among individuals.
- 6- An empirical study of a personal value system may well be helpful in the effort that all must make in the "strain toward consistency" between what one believes and what one is.

England's study has been found very useful in explaining the personal value systems of managers. His study has shown, for example, that values influence both corporate strategy decisions and managerial decisions. Values can also differentiate successful and unsuccessful managers (England and Lee, 1971). Thus, the PVQ has proved significant in differentiating between managers within a given culture, and between managers from different cultures (England and Kokie, 1970).

England's unique empirical study was followed by another study he carried out in collaboration with Keaveny (1969) utilising the former's model of Specific Time-

Space Behaviour to study the relationship between managerial values and administrative behaviour. They pointed out that the resulting findings must be regarded as tentative.

Despite England's acknowledgement of the importance of behavioural channelling (alternative generator, alternative testing, decision making, problem solving) and perceptual screening (selecting, filtering, and interpreting incoming sensory data), he failed to fully develop this theoretical concept (Weber, 1993). Payne (1988) gives the following argument concerning the PVQ:

**"Although the PVQ has not had much investigation of reliability or validity, it has received a considerable use for revealing differences in value orientation among various managerial subsets. The PVQ's attractive feature appears to be its strong focus on values within a group, business and organisational context." (Payne, 1988, p. 274)**



**FIGURE 3-3**  
**MANAGERIAL VALUE PROFILE (N = 1072)**

	<i>High Importance</i>		<i>Average Importance</i>	<i>Low Importance</i>	
Successful 1st Ranked	High Productivity	Stockholders	Labour Unions	Prejudice	
	Industrial Leadership	Technical	Aggressiveness	Force	
	Organisational Stability	Me	Influence		
	Profit Maximisation	White Collar	Power		
	Organisational Efficiency	Ambition	Compromise		
	Organisational Growth	Ability	Conflict		
	Employees	Skill	Risk		
	Customers	Cooperation	Adopted Values Situationally Induced		
	My co-workers	Achievement			
	Craftsmen	Job Satisfaction			
	My Boss	Creativity			
	Managers	Success			
	Owners	Change			
	My Subordinates	Competition			
	My Company				
Right 1st Ranked	Employee Welfare		Social Workers		
	Trust		Labourers		
	Loyalty		Blue Collar Workers		
	Honour		Obedience		
	Dignity		Compassion		
	Individuality		Tolerance		
	Government		Authority		
	Property		Caution		
	Rational		Conservatism		
	Religion		Equality		
Pleasant 1st Ranked		Intended Value Socio-culturally Induced	Liberation	Values with Low Behavioural Relevance	
			Leisure		
			Autonomy		
			Money		
			Security		
			Prestige		
		Emotions	Conformity		

Source: England (1967)

### 3.7 ROKEACH'S STUDY OF VALUES

One of the most prominent researchers on values within the social-psychological literature is Rokeach (Finegan, 1994). In his study of values, Rokeach takes into consideration the concepts of attitudes and belief systems, because of the interrelationship among the three concepts and the central position of all of them in social psychology. Therefore, the presentation of Rokeach's contribution to the study

of values will focus on these two concepts. Rokeach (1973) suggested that the more a given belief is functionally connected or in communication with other beliefs, the more implications and consequences it has for other beliefs and, therefore, the more central the belief. He then proposed the following four defining assumptions or criteria of connections:

- 1- Existential versus nonexistent beliefs: Existential beliefs are assumed to have more functional connections and consequences for other beliefs than nonexistent beliefs.
- 2- Shared versus unshared beliefs: Shared beliefs are assumed to have more functional connections and consequences for other beliefs.
- 3- Derived versus underived beliefs: Derived beliefs are assumed to have fewer functional connections and consequences for other beliefs than the beliefs from which they are derived.
- 4- Beliefs concerning and not concerning matters of taste: Beliefs which represent more or less arbitrary matters of taste are assumed to have relatively fewer functional connections and consequences for other beliefs than beliefs that do not represent arbitrary matters of taste.

Rokeach then identified five classes of beliefs and described them as follows:

**Type A:** Primitive shared Beliefs: These are not derived from other beliefs and are reinforced by a unanimous social consensus among all of one's reference persons and groups. A person's primitive beliefs represent his "basic truths" about physical reality, social reality, and the nature of the self.

**Type B:** Primitive learned beliefs: These are learned by direct encounter with the object of belief, but their maintenance does not seem to depend on its being shared

with others such as those held on pure faith: phobias, delusions, and various ego beliefs arising from learned experience.

**Type C:** Authority Beliefs: These concern positive and negative authority. This is what the sociologists call reference persons or groups. Such beliefs depend on learning experiences within the context of the person's social structure: family, class, peer group, ethnic group, religious and political groups, and country.

**Type D:** Derived Beliefs: These beliefs are learned indirectly from reference persons or groups. Such beliefs are derived as second-hand through processes of identification with authority.

**Type E:** Inconsequential Beliefs: these are beliefs that seem to represent more or less arbitrary matters of taste. They originate in direct experience with the object of beliefs and their maintenance does not necessarily require social consensus.

Hence, the total belief system may be seen as an organisation of beliefs varying in depth, formed as a result of living in nature and in society, designed to help a person maintain, in so far as possible, a sense of ego and group identity, stable and continuous over time (Rokeach, 1976).

While Rokeach defines values as an "enduring organisation of beliefs concerning preferable modes of conduct or end states of existence" along a continuum of relative importance (Fritzsche, 1995), he defines attitudes as "organisation of several beliefs focused on a specific object or situation predisposing one to respond in some preferential manner" (Rokeach, 1976).

He believes that to say a person "has a value" is to say that he has an enduring belief, and that a specific mode of conduct or end-state of existence is personally and socially preferable to alternative modes of conduct or end-state of existence.

Rokeach continues to argue that once a value is centralised it becomes a standard or criterion employed to influence values, attitudes, and actions. He later suggested that several considerations led him to place the value concept in nomination ahead of the attitude concept:

- 1- Value seems to be a more dynamic concept since it has a motivational component as well as cognitive, affective, and behavioural components.
- 2- While attitude and value are both widely assumed to be determinants of social behaviour, value is a determinant of attitude as well as of behaviour.
- 3- If a person possesses considerably fewer values than attitudes, then the value concept provides a more economical analytic tool for describing and explaining similarities and differences between persons, groups, nations, and cultures.

The basic assumption of Rokeach's study of value and its relation to an individual's behaviour is based upon the "two-attitude theory" explained earlier in the attitude section and expressed in the following statement made by Rokeach (1976):

**"Whenever a social object is encountered within a social situation it activates two attitudes, Ao and As. Each of these two attitudes activates, in turn, a subset of instrumental and terminal values with which it is functionally connected. Behaviour toward a social object within a social situation will therefore be a function of the relative importance of the two activated attitudes, Ao and As which, in turn, will be a function of the number and the relative importance of all the instrumental and terminal values activated by Ao as compared with all the instrumental and terminal values activated by As." (Rokeach, 1976, p. 164).**

In his value survey, Rokeach (1973) argues that there are two types of values: terminal and instrumental. He then developed an instrument to measure the relative importance of 18 terminal and 18 instrumental values included in his value survey.

**A- Terminal Values:** are values that lead to a desirable end-state of existence.

**B- Instrumental Values:** are those values that describe preferred modes of conduct.



He goes on to suggest that although within a given culture people share the same values, they differ in the importance they attach to a given value. Thus to measure an individual's value profile, Rokeach has respondents rank 18 terminal values and 18 instrumental values separately. Rokeach utilised a ranking scheme where each respondent ranked all eighteen values on a scale in order of relative importance (Fritzsche, 1995). Rokeach has found that different value hierarchies are associated with differences in behaviour and attitudes. For example, Rokeach found that differences in the ranking of the terminal values "freedom" and "equality" were associated with different political ideologies (Finegan, 1994). The values included in both scales are shown in Figure 3-5.

One of the most important studies based on Rokeach's model was that carried out by Donald et. al. (1977) to investigate the role of personal values in marketing and consumer behaviour. This study supported the importance of personal values in behavioural preferences, and was conducted with subjects from two culturally distinct regions of the United States in order to test the preposition that values are culturally and socially learned. The results indicated that:

- 1- The subjects were significantly different with respect to their basic value orientations, which in turn proved the preposition that values are culturally and socially learned.
- 2- The global values, consumption-related values and the evaluation of product attributes were consistent with preference for the consumer products and services.

In relation to decision behaviour, several studies have utilised Rokeach's instrument of terminal and instrumental value survey (Schmidt and Posner, 1982; Posner and Schmidt, 1992; Frederick and Weber, 1987; Finegan, 1994; Fritzsche, 1995). The results and findings of these studies indicated that personal values have a

significant impact upon preferences, behaviour, and attitudes. But Rokeach's survey does not determine whether and how other factors (i.e. organisation values) mediate the effects of personal values on such concepts.

Despite the popularity of 'Rokeach's Value Survey' (RVS), four major problems were associated with the instrument (Payne, 1988):

- 1- Subjects are required to deal with a standard set of values that may not effectively describe values that they recognise and view as important.
- 2- Values are suggested to subjects which may not actually be part of their cognitive worlds.
- 3- Subjects' agreement on the definitions or meanings of terms used in the instrument seems absent.
- 4- Interpretations of high and low value rankings are not clearly enough defined.

**TABLE 3.4**  
**ROKEACH'S VALUES SURVEY**

<i><b>Terminal Values</b></i>	<i><b>Instrumental Values</b></i>
1- <i>A comfortable life (a prosperous life)</i>	1- <i>Ambitious (hard-working, aspiring)</i>
2- <i>An exciting life (a stimulating, active life)</i>	2- <i>Broadminded (open-minded)</i>
3- <i>A sense of accomplishment (lasting contribution)</i>	3- <i>Capable (competent, effective)</i>
4- <i>A world at peace (free of war and conflict)</i>	4- <i>Cheerful (lighthearted, joyful)</i>
5- <i>A world of beauty (beauty of nature and arts)</i>	5- <i>Clean (neat, tidy)</i>
6- <i>Equality (brotherhood)</i>	6- <i>Courageous (standing up for your beliefs)</i>
7- <i>Family security (taking care of loved ones)</i>	7- <i>Forgiving (willing to pardon others)</i>
8- <i>Freedom (independence, free choice)</i>	8- <i>Helpful (working for the welfare of others)</i>
9- <i>Happiness (contentedness)</i>	9- <i>Honest (sincere, truthful)</i>
10- <i>Inner harmony (freedom from inner conflict)</i>	10- <i>Imaginative (daring, creative)</i>
11- <i>Mature love (sexual and spiritual intimacy)</i>	11- <i>Independent (self-reliant, self-sufficient)</i>
12- <i>National security (protection from attack)</i>	12- <i>Intellectual (intelligent, reflective)</i>
13- <i>Pleasure (an enjoyable, leisurely life)</i>	13- <i>Logical (consistent, rational)</i>
14- <i>Salvation (saved, eternal life)</i>	14- <i>Loving (affectionate, tender)</i>
15- <i>Self-respect (self-esteem)</i>	15- <i>Obedient (dutiful, respectful)</i>
16- <i>Social recognition (respect, admiration)</i>	16- <i>Polite (courteous, well-mannered)</i>
17- <i>True friendship (close companionship)</i>	17- <i>Responsible (dependable, reliable)</i>
18- <i>Wisdom (a mature understanding of life)</i>	18- <i>Self controlled (restrained, self disciplined)</i>

Source: Fritzsche (1995)

### 3.8 ALLPORT'S STUDY OF VALUES

A significant study of values was conducted by Allport et al. Allport's test was designed primarily for use with college students, or with individuals who had some college education. The instrument was originally published in 1931, and revised by the authors in 1951, 1961, and 1968. In the study of values, Allport et al. (1960) aimed to measure the relative prominence of six basic interests or motives in personality: the theoretical, economic, aesthetic, social, political, and religious. The classification is based directly upon Eduard Spranger's "Types of Men". The instrument consists of two parts with a number of questions in each part, based upon a variety of familiar situations to which two alternative answers in part I, and four alternative answers in part II are provided. In all, there are 120 answers, 20 of which refer to each of the six values. To identify a subject's value profile, the authors indicated the following steps:

- a) The subject records his preferences numerically next to each alternative answer.
- b) His scores on each page are then added and the totals transcribed onto the score sheet.
- c) The page totals belonging to each of the six values are then summed.
- d) These six total scores are plotted on a profile, so that the subject may see the significance of his standing on all the values simultaneously.

The scale aims to measure more than a single variable. It does not measure the absolute strength of each value, but their relative strength, so a high score on one value can be obtained only by reducing the scores on one or more of the other values correspondingly.

Allport (1965) adopted a study to examine the relationship between the value profile held by the subject and his future career. This was to specifically examine the



prediction power of his test. He has proved that the test given in college was highly predictive of occupational careers followed by Wellesley students fifteen years after graduation from college. The following table shows different occupational groups and their value orientation scores from Wellesley mean scores:

**TABLE 3.5**  
**SIGNIFICANT DEVIATION OF SCORES ON THE STUDY OF**  
**VALUES FOR OCCUPATIONAL GROUPS OF WELLESLEY**  
**ALUMNI FROM WELLESLEY MEAN SCORES**

<i>Occupational groups</i>	<i>N</i>	<i>Theoretical</i>	<i>Economic</i>	<i>Aesthetic</i>	<i>Social</i>	<i>Political</i>	<i>Religious</i>
Business workers	64	Lower	Higher				
Medical workers	42	Higher	Lower			Lower	
Literary workers	40	Higher	Lower	Higher			
Artistic workers	37			Higher	Lower		
Scientific workers	28	Higher		Lower			
Governmental workers	24	Higher			Lower		Lower
Social workers	26				Higher		
Religious workers	11					Lower	Higher

Source: Allport (1965)

Allport's study of values has been used in a variety of settings and has demonstrated high reliability and validity. Guth and Taguiri (1965) studied 653 industrial managers, 178 research managers, and 157 scientists using the Allport test. They studied the need for a corporate strategy related to managers' personal values, and their findings support the need for a corporate strategy that corresponds to those personal values. Guth and Taguiri showed how managers' values influence choices of strategy within the corporation (Thomas, 1997).

Palmer (1983) utilised the Allport scale of values in studying the personal values of male and female business college students. The study concentrated on the differences between male and female business students and discovered the following:

- 1- The value patterns of men and women are dissimilar



2- The value pattern of male students is similar to those held by traditional managers. Recent studies have found that Allport's '*study of values*' is a useful test to apply, and is one of the most commonly used measures to assess an individual's values (Kumar and Thibodeaux, 1998).

### 3.9 ROWE AND BOULGARIDE'S VALUE INVENTORY

As described above, Allport's study of values is well validated and has been accepted by the professional community for many years. But after years of experience with the Allport values test, it was felt that a more efficient design could be achieved (Rowe and Boulgarides, 1992). Rowe and Boulgarides came up with a new values model called the "Values Inventory Model" based on Allport's values as a baseline and reference point. Instead of the six values of Spranger and Allport, Rowe and Boulgarides argue that there are only four categories of values, although their values categories relate directly to the six Allport categories. The four categories of the VI (value inventory) are generic values and in effect capture the fuller Allport categories. A comparison of the Allport values test and the VI is shown in Table 3.6.

**TABLE 3.6**  
**COMPARISON OF ALLPORT VALUES AND VI**

<i>Allport</i>	<i>Values Inventory</i>
Economic	Pragmatist
Political	
Theoretical	Theorist
Aesthetic	Idealist
Social	Humanist
Religious	

Source: Rowe and Boulgarides (1992)

The VI value categories can be described as follows:

**1- Pragmatist:** This individual is a composite of the Allport economic and political values. He/she is interested in power, material things, success, and wealth. This type is typical of the American businessman/woman.

**2- Theorist:** This individual is similar to the Allport theoretical person. An abstract thinker, he/she depends on knowledge for influence. The theorist has a need for position and status from which he or she derives a feeling of self-esteem. This type is typically found in technical professions such as engineering.

**3- Idealist:** This value is similar to the Allport aesthetic. The idealist values autonomy and independence of thought, and may be a utopian.

He/she is sometimes unrealistic, but not as materialistic as the pragmatist or theorist. The idealist tends to search for self-actualisation as described by Maslow. He/she shows concern for others and appreciates the arts.

**4- Humanist:** This value combines the qualities of the Allport social and religious. He/she is very concerned about society as a whole and is compassionate towards the less fortunate. The humanist is not materialistic, is willing to work and share, and is a loyal individual. The complete Rowe-Boulgarides Values Inventory Model is shown in Figure 3-4.

As previously mentioned, Allport's study of values has shown validity over the years, and consequently, in order to validate the VI, Boulgarides (1983) correlated it with the Allport test by adopting a study of 404 architects. The results supported the assumption of consistency between the VI and the Allport values test.

The values inventory test is scored in a similar way to the decision style inventory of Boulgarides (1983). When taken together, the two instruments provide powerful measuring tools, which help us to better understand the decision-maker and to better predict the behaviour and decision he or she will make (Rowe and Boulgarides, 1992).

**FIGURE 3-4**  
**ROWE-BOULGARIDES VALUES INVENTORY MODEL**

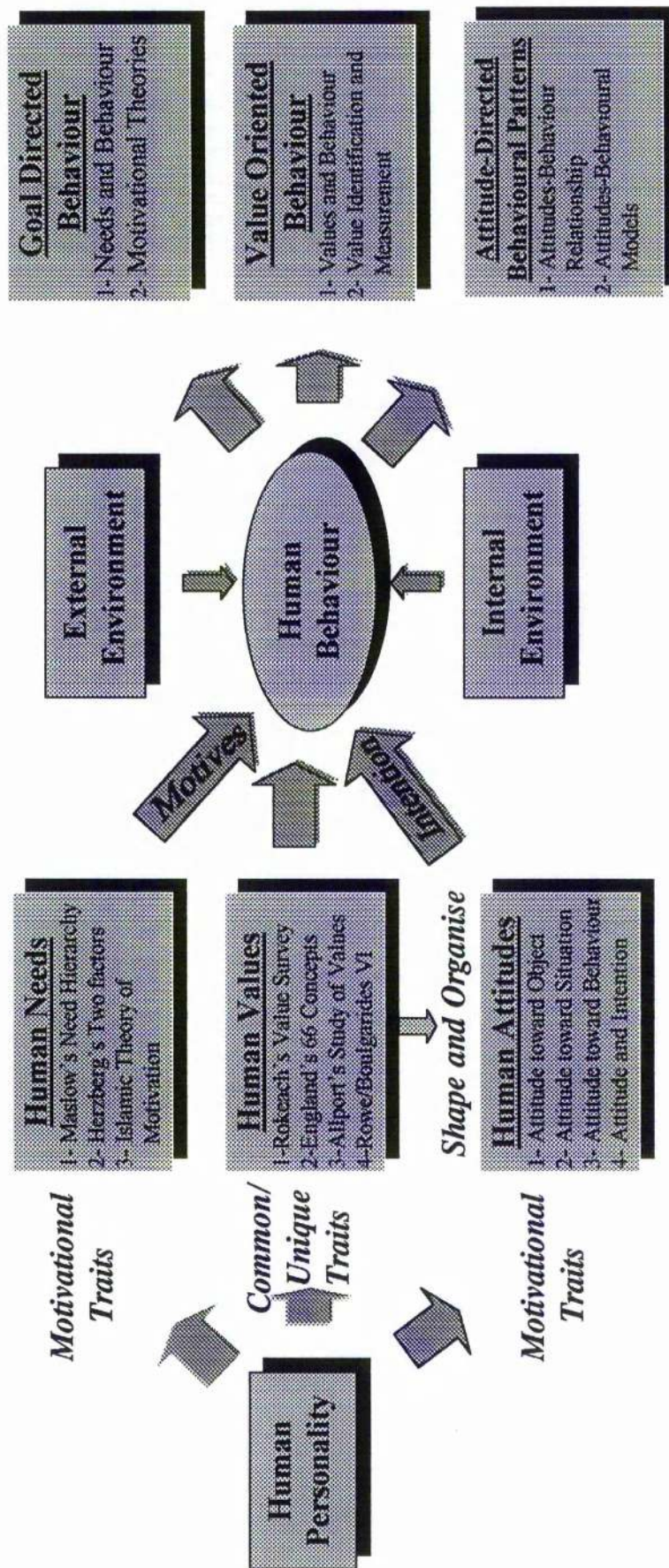
<i>Internal Beliefs</i>	Self-oriented (thinking) Truth Ethics Courage Morality	Theorist Abstract Influence Knowledge Perfection	Idealist Aesthetics Autonomy Self-actualisation Esteem
	Others-oriented (action) Service Loyalty Achievement Consistency	Pragmatist Economic Political Plenty	Humanist Social Interpersonal Religious Compassion
		Technical focus Work ethic Productive Efficiency Competence	Social Concerns Supportive Honesty Security Freedom
<i>External Concerns</i>			

Source: Rowe and Boulgarides (1992)

Several topics have been clarified in this chapter; firstly, the nature of human behaviour as well as those factors that have influences upon this behaviour (i.e. personal and environmental factors), personal factors, including human needs, values, and attitudes, and two types of environmental factors were identified, internal and external forces. The literature presented in the previous and the present chapters is summarised in Figure 3-5.



**FIGURE 3-5**  
**A DIAGRAM INDICATING THE RELATIONSHIPS AND INTERRELATIONSHIPS**  
**BETWEEN VALUES AND THE RELATED ASPECTS AND INDIVIDUALS' BEHAVIOUR**





### 3.10 CONCLUSION:

During the last few decades numerous authors and psychologists have paid great attention to human behaviour. Their research has indicated that human behaviour is a result of the interaction between personality and environment, and that an individual's personality is identified in terms of its traits, or the ways in which one individual differs from others. Personal traits could be motivational (i.e., needs, attitudes) or common/unique traits (values). They also discovered that such traits, as well as environmental forces, were significant components of human behaviour.

With respect to the nature of human behaviour, the early economic theories have described human behaviour as 'rational'. We have, however, discussed the problems associated with the rational model, which are as follows

- 1- Incompleteness of knowledge
- 2- Difficulties of anticipation
- 3- Limited scope of behaviour alternatives

Psychologists and behaviourists have similarly looked for other factors that could have influences upon human behaviour, and which could offer a better understanding of it. This chapter has attempted to present the theoretical underpinnings for those major factors both in general and in terms of individuals' behaviour in the workplace, and which can be summarised as follows:

- 1- Human needs have been found to direct human behaviour toward self-actualisation. Hence, organisations should identify their individuals' needs and goals in order to use the appropriate motivational and reward systems.
- 2- Values have been found to determine and govern individuals' behaviour to be specifically oriented based on these values. Hence, organisations should select individuals that match their values and policies. Organisations should also realise their

responsibility for providing a suitable organisational environment through which their members and managers can work effectively to achieve their objectives.

Authors and psychologists have developed several significant instruments to study individuals' values and value systems. Some of these studies have produced only tentative results and suggestions, whereas others have come up with encouraging results that could be useful in studying some organisational aspects.

3- A person's attitudes are influenced and shaped by his/her values. An individual's behaviour has been found to be a function of two interacting attitudes: an attitude towards an object, and an attitude towards a situation. An individual's behaviour can be predicted more effectively if it is based on knowledge of the cognitive interaction between these two attitudes.

4- A person's intention, the amount of control over the behaviour, and past behaviour were found to be important factors in predicting an individual's behaviour, based on the theory of reasoned action and planned behaviour of Fishbein and Ajzen, Ajzen himself, and Bentler and Speckart's attitude-behaviour model.

The literature presented in this chapter can be viewed as representing the main stream of research, from which a significant tool can be developed to study managers' value systems, as well as some organisational and behavioural aspects in the workplace.

Having gained a useful idea about human motivation, attitudes, and values, it seems important now to provide the reader with background information on Saudi culture and society which will be useful in the empirical work of this thesis and particularly in selecting the appropriate tool to identify the personal and managerial value patterns of Saudi executives. The next chapter, therefore, will devote itself to the presentation of the Saudi culture and its characteristics.

**CHAPTER FOUR**  
**BACKGROUND INFORMATION ON SAUDI**  
**ARABIA, GENERAL CHARACTERISTICS**

## **CHAPTER FOUR**

### **BACKGROUND INFORMATION ON SAUDI ARABIA,** **GENERAL CHARACTERISTICS**

#### **4.1 INTRODUCTION**

The central objective of this chapter is to present a general background of Saudi Arabia. The main characteristics of the Kingdom such as: location, area, population, religion, its political system, economic development, and the major factors that have shaped the Saudi society will be discussed and clarified. Since Saudi Arabia is an Islamic State, it is also necessary to include those factors that influence management thinking within the Islamic world and the Kingdom.

For the last fourteen centuries, thought, behaviour, and work have produced significant factors that have had an influence upon Arab individuals (Ali, 1990; Berque, 1970). This influence has led to different reactions and behaviour at various times and in different situations (Ali, 1990). It is therefore important to provide the reader with a general perspective on the impact of historical factors upon management thought before outlining Saudi characteristics in a contextual sense. This chapter is consequently committed to clarifying the following aspects:

1. The historical factors that have influenced Arab management thought and contemporary Arab management thinking.
2. Historical and general background information on Saudi Arabia with some concentration on those events that have shaped the Saudi culture and society.
3. The political and administrative system in S.A.

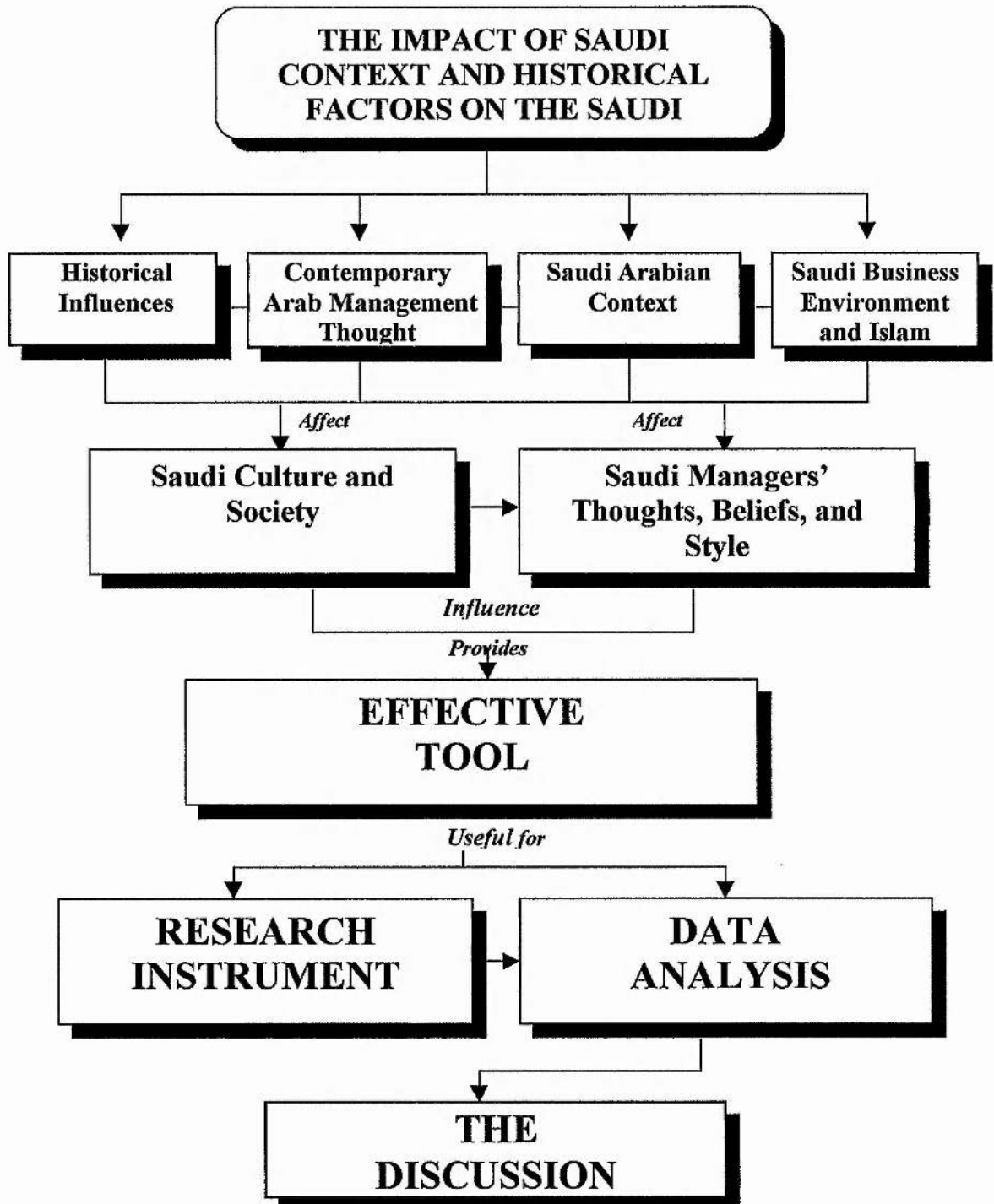


4. The Saudi economy and economic development as well as the main achievements of the Five-Year Development Plans.
5. The factors that have shaped contemporary Saudi culture and society.
6. Brief background information on Islam and Islamic teachings and beliefs.

It was mentioned in the introductory chapter that Saudi Arabia is a unique country with respect to the fact that it has a single religion, Islam. However, to understand the main characteristics of the Kingdom and the political, economic and social changes it has endured, it should also be noted that Islam affects almost every aspect of Saudis' life and the state in general. The role of Islamic religion in influencing people's environments, and managerial conduct in organisations in Saudi Arabia will be discussed in detail in the next chapter. The main topics of the present and following chapters, as well as their role in influencing the Saudi managers' thought and style are summarised in Figure 4-1.

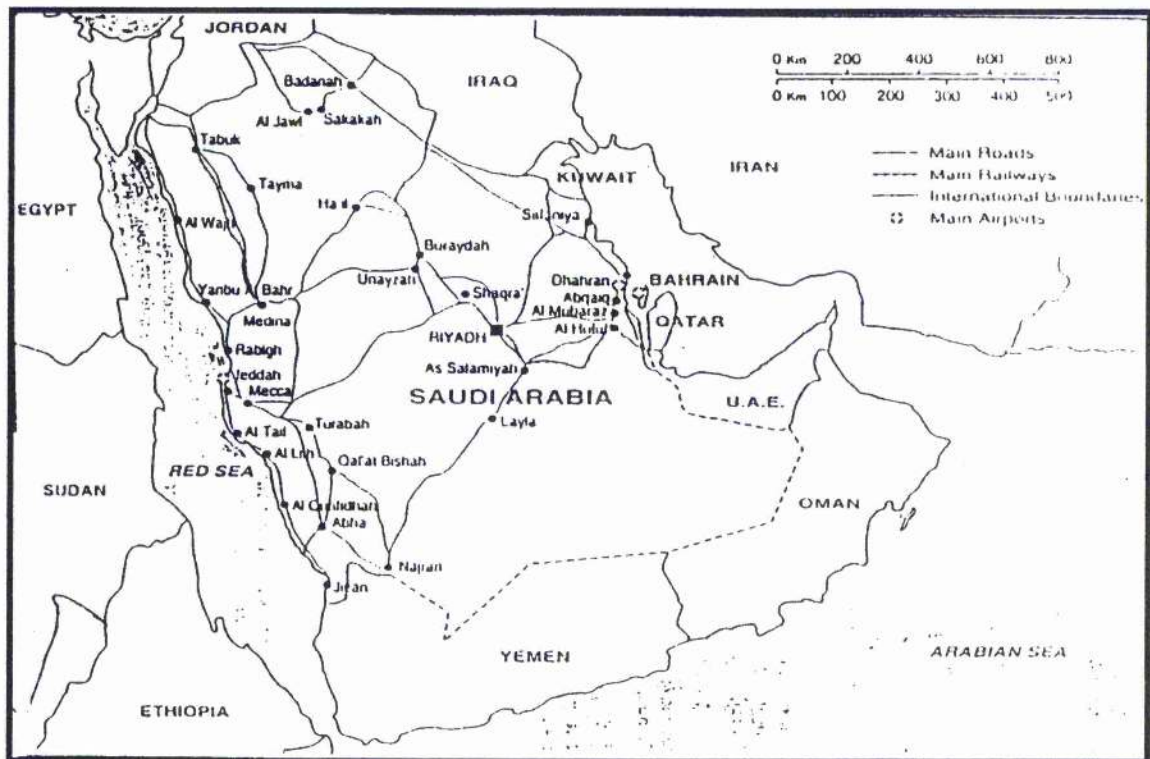
**FIGURE 4-1**

**A FLOW CHART INDICATING THE IMPACT OF BOTH SAUDI  
CONTEXT AND THE HISTORICAL FACTORS ON SAUDI  
MANAGERS**



**FIGURE 4-2**

**THE MAP OF THE KINGDOM OF SAUDI ARABIA**



Source: IITS (International Information and Trade Services (1993)

## 4.2 HISTORICAL INFLUENCES

With respect to historical influences, five factors appear to be particularly significant in influencing Arab managers today (Ali, 1990):

- 1- Islamic religion.
- 2- Tribal and family traditions.
- 3- The Influence of colonial bureaucracies and the Ottoman Empire (1412-1918).
- 4- Increasing contact with the West in recent decades, and the development of pragmatism.
- 5- Government intervention and political constraints.

### 4.2.1 The Influence of Islam

Since the sixth century, knowledge, trade, industry, agriculture, and the construction of complex organisations has flourished. For Muslims, religious principles served as guides in conducting their business and family affairs. Current management thinking and practices continue to be influenced by various and different Islamic schools of thought. Ali divided Islamic thought into six schools. These schools are presented as follows:

- 1- **Jarbria School (661-750):** this school was founded by Al Jahm Bin Safwan Al-Rasiby and emphasises compulsion and predestination. This school believes that man is not responsible for his actions. According to this school, a man does not need to use rational arguments, but only needs to follow and accept a leader's instructions. The role of the absolute leader who has answers to everything and provides rewards or punishment is glorified. Organisation and organisational work-groups are subordinate to the role of the authority figure.
- 2- **Ikhtiar School (101-177 A.H.):** this school was founded by Wasil Bin Ata'a Al-Makhzomy. This school shares the Tafwiz emphasis on free choice, but differs in the beliefs about man's capacity to turn evil into good. This school believes that



man is a responsible social actor striving to work with the group and to achieve the group goals in a harmonious and cooperative environment.

- 3- The Mutazilas (101-177 A.H.): or "*rationalistic school*". This school was also founded by Wasil Bin Ata'a Al- Makhzomy and believes that all knowledge must be attained through reason. This school believes that wrong or right must be referred to a reason. As in the Ikhtiar School, the Mutazilas believe that performance is the criterion for reward and punishment. Man, according to this school, is able to distinguish between right and wrong. It emphasises the importance of democracy as a prerequisite to action and the prosperity of society.
- 4- Ikhwan-us-Safa (Brothers in purity, 351 A.H.): this school arose in the tenth century as a result of the oppressive practices of the Jabria school. It was founded by Muslimah Ben Qasim Al Andalsy. This school believes that faith without work and knowledge without practice are worthless. It places a strong confidence on man's ability to make progress and to control the environment. Its main contribution was the belief that liberty of intellect is an essential precondition for a creative and healthy society and that corruption and disorder are indicative of despotism.
- 5- Ibn Rushd or (Averroes, 1126-1198): it was founded by Abu Alwaleed Muhammed Ben Ahmed Ibn Rushd. This school believed that both will and external environmental forces are behind people's actions. According to this school, the democratic process is the ideal organisational form, and autocracy is believed to open the door to human misery. Furthermore, perfection can only be attained by study and speculation. In addition, women are considered equal in every capacity to men.

**6- Tafwiz School (the founder and its period are unknown):** emphasises free will and unqualified discretion in the choice of wrong and right, because rules and regulations constrain human and organisational life. Employees assume different tasks and duties, and collective responsibility is preferred.

Unfortunately, most of the above Islamic schools have had no apparent influence on many contemporary Arab administrative systems or on business and personal activities performed in most Arab countries, and have become part of history. The exception is the Jabria School, the influence of which is apparent in what is known today as the authoritarian managerial style which is a feature of administrative systems in most Arab States.

#### **4.2.2 Tribal and Family Traditions**

Managers oriented towards tribal and family traditions behave as fathers and are willing to hold all the responsibilities of business. Although this orientation is not necessarily negative (caring about the welfare of employees, and personalised subordinate relations), Ali mentioned that these orientations do suggest an authoritarian style. The authoritarian structure is commonly apparent in large Arab organisations, whether public or private.

According to Ali (1990), managerial approaches to creativity and problem solving (e.g., teamwork and cooperation) are also influenced by tribal perceptions, because individuals influenced by tribal traditions are not willing enough to work within groups outside the family and the tribe.

### **4.2.3 The Influence of the Ottoman Empire (1412-1918)**

Management in the Arab world is still a captive of the bureaucratic structures and systems inherited from long periods of Ottoman Imperial rule. The Ottoman Empire demanded complete obedience and condemned creativity and independent thinking. The influences of such structures and systems are reflected in orientations that stress centralisation of authority, rigid rules and regulations, divisions of labour and low tolerance of ambiguity and autonomy (Ali. 1995).

Despite the effects of the Ottoman Empire on Arab administration structures, managers of modern Arab organisations have come to realise the importance of modern managerial functions and skills (e.g., efficient communications, lines of authority and responsibility, high productivity, etc) along with the preservation of traditional values, norms, and conduct (e.g., personal connections, priority for relatives and well-known individuals, etc.) (Al-Kubaisy, 1985).

### **4.2.4 Ottoman Empire as an Islamic Empire**

As an Islamic Empire, the Ottoman Empire initially brought many advantages to the Islamic world. Firstly, it united the Islamic world under one leadership which promoted the feeling of unity amongst Muslim individuals. Secondly, it looked after the Two Holy Mosques in the Western part of the Arabian Peninsula which encouraged the respect of Muslims everywhere. Thirdly, it motivated the dissemination of knowledge and science which contributed greatly to the development of many areas of scientific endeavour in the Islamic Empire.

Although these advantages have had a lasting effect on Arab managerial styles by strengthening the Islamic values and beliefs of Arab individuals, they have also led

to a strengthening of some tribal and traditional values and beliefs which in turn lead to authoritarian structures and practices as mentioned previously.

#### **4.2.5 Western contacts and the growth of pragmatism**

The discovery of oil and its consequent results have generated a new middle class, and developed social services (i.e., improved education, health care, communications, and mobility), paired with increased interaction with industrial cultures. According to Ali, these new conditions have strengthened the influence of pragmatic values and approaches. The pragmatic manager, according to Ali, tends to be aware of the misuse and waste of organisational resources, and is sensitive to the image of his organisation.

#### **4.2.6 Government Intervention and Political Constraints**

Governmental and political restrictions are the most important and major factors that influence managerial orientations and practices in Arab organisations. The nature and role of government have changed since the late 1950s. Ali specified two major factors that have contributed to these changes:

- 1- The rise of self-claimed socialist states in some parts of the Arab world (e.g., Algeria in 1962, Egypt in 1952, Iraq in 1958).
- 2- Increasing oil revenues in some other states and the subsequent introduction of state planning (e.g., Saudi Arabia introduced its first development plan in 1970).

Ali (1990) argued that "Arab governments, preoccupied with their survival, often neglect the strategic importance of economic and human development. In the case of conservative states (e.g., Saudi Arabia) and as a result of oil discovery and economic expansion, however, new opportunities were opened to the population to



gain skills and become involved in business activities. The last two decades (until the start of the Iraq-Iran War in 1981) witnessed government support for economic activities that furthered the development of independent managers”.

Ali concluded that the influences of the colonial bureaucratic and Ottoman autocratic systems, and tribalism, are characterised in the following: hierarchical authority, rules and regulations contingent on the personality and power of the individuals who make them, an “open door” policy, subordination of efficiency to human relations and personal connections, indecisiveness in decision making, informality among lower-level managers, and a generally patriarchal approach. Nepotism plays an important role in selecting upper-level managers, but qualifications are valued in the selection of middle and lower-level personnel.

The position taken by Ali (1990) that management thought in the Arab world is a result of its various historical problems was strengthened during the Kuwaiti crisis (1990-91).

However, according to a more recent publication by Ali (1995), the Kuwaiti crisis has proved that Arab political, economic and social systems are inadequate in their dealings with internal and external threats. This failure has various practical and theoretical implications for business, the most important of which is that management thinking has not made progress in analysing or anticipating major events. This in turn means that Arab scholars and figures not only failed to predict the severity of the economic pressures faced by Arab governments in terms of their foreign debt crisis and their urgent needs for cash flow, but failed to appreciate their growing international and external obligations as well.

### 4.3 CONTEMPORARY ARAB MANAGEMENT THOUGHT

Most Arab management books are just translations of American textbooks and theories (e.g., Aljouhr, 1981; Al-Sabab, 1980, 1981; Assaf, 1983; Fatimi, 1976; Hamour, 1987; Raauf, 1979; Yeas and Aglani, 1979) (Ali, 1995). Contemporary Arab management scholars can be classified into two groups, according to either their personal orientations or their approaches. Within the first category of personal orientations are Western imitators and Alienated scholars (Ali, 1995). Ali explains these groups as follows:

The Western Imitators are considered the largest group among business authors and scholars. Despite their Western education, their writing is not original, but merely translations of Western theories. They are motivated by financial gain or promotion and resort to easy translations of foreign contributions instead of engaging in initiative thinking.

The Alienated Scholars: the alienated scholars are those who devote their time and activities to furthering business education unlike Western imitators who depend on direct translations in their writing. Unfortunately, in the Arab world where there is an absence of reward, a lack of respected collections in libraries and a limited access to foreign contributions, the alienated scholars have found it difficult to achieve acceptable living standards, or to grow professionally under such conditions.

According to their approach, Ali classified Arab management scholars into: Westernised, Arabised, and Islamised scholars

1- The Westernised group attempts to develop Arab management thought by adopting Western experience, thinking, and practice. Two approaches are adopted: environmental and behavioural.

**The environmental approach** emphasises the environmental factors that influence managerial thought through political, economic, legal, social, and religious practices. According to Ali, (1995), various authors have contributed to the advancement of this approach (e.g., Abd-Al-Khaliq, 1984; Al-Arji, 1980, 1983a, 1983b; Ayubi, 1988; Badran and Hinnings, 1981).

Where the environmental approach focuses on the external factor (environment), the **behavioural approach** concentrates on the internal forces within the work environment (e.g., motivation, values, beliefs, decision styles, and other behavioural variables). Ali suggests that behaviourists, psychologists, and political scientists have had some success in explaining behavioural and attitudinal dimensions long neglected in the Arab world, among them: Abdel-Halim and Al-Tuhaih, 1989; Al-Hegelan and Palmer, 1985; Al-Meer, 1989; Al-Nimir and Palmer, 1982; At-Twajjri, 1989; Muna, 1980. The findings of these studies according to Ali show that although Arab managers are far from homogeneous in their orientations, most Arab managers appear to show the basic values that reflect Islamic and tribal traditions.

**2- The Arabised scholars:** their efforts are devoted towards the development of management theory relevant to Arab culture. Ali specifies some of the most well known scholars of the Arabised school who are as follows: Khadra (1990); Al-Kubaisy (1985); and El-Fathaly and Chacherian (1985). Although these contributions (analytical and critical analysis of management practices) represent a step in the right direction, they tend to rely heavily on Western orientation while attempting to "Arabise" theory. Theory building and testing can only be strengthened through co-ordination between Arab scholars from different fields (e.g., sociology, psychology, and public policy). Ali argued that 'the Arabised group needs to be more critical and innovative if it is to sensitise managers to the deficiencies in current systems'.

**3- The Islamicised approach.** Scholars of this school have found that current managerial practices in the Arab world are not Islamic. Hence, the emphasis of this school is on the use of Islamic values and traditions in conducting business transactions. This approach has flourished during the last two decades. Ali indicated that some scholars strive to study Islamic principles by relying on behavioural and social techniques and by using reason and logic in their discourse and research. Where these scholars have found that Arab rulers are responsible for Arab cultural alimentation and disorientation, other groups have pointed only to tribalism and personalism as an issue critical to Arab management thought.

It would appear that management styles and practices in the Arab world serve the interests of political figures instead of managers being agents of the stockholders or company owners, working for the benefit of their employees and organisations (Ali, 1995). This would stimulate the development of modern managerial theories and styles which could improve their organisational effectiveness, as happens in the West. Ali indicates that in the United Sates for example, where the political and professional conditions are appropriate, various management models have been developed to serve the stockholder and owners of capital. We can thus deduce, according to Ali, that the Arab environment is not conducive to management theory developing in a way that is relevant to Arab culture because of the following reasons:

- 1- The lack of an effective educational system;
- 2- The lack of private colleges and universities;
- 3- The lack of professional associations and foundations that support research and maintain an active network among Arab scholars and trade organisations across the Arab states.



#### 4.4 SAUDI ARABIA: LOCATION AND AREA

The Kingdom of Saudi Arabia is located in the south western part of the Asian continent, and is in an intermediary position between Asia, Africa, and Europe. Jordan, Iraq and Kuwait are to the north of Saudi Arabia. Oman and Yemen are to the south. The Arabian Gulf, Bahrain, Qatar and the United Arab Emirates are to the east and the Red Sea is to the west. With an area of 2,240,000 square kilometres, Saudi Arabia also makes up about 80% of the total area of the Arabian Peninsula.

#### 4.5 CLIMATE

The climate of the Kingdom varies according to the landscape and the effect of seasonal high pressure. In general, it is hot and dry in the summer, and cold and dry in the winter, except for the narrow areas along the coast where it is mild because of the sea. The temperature increases noticeably in the inland during summer.

#### 4.6 POPULATION AND RELIGION

The primary results of the general census of the population and houses, which took place in 1992, showed that the population of the Kingdom was 16,929,294 persons among which 12,304,835 are Saudis (Table 4.1). Since Islam is the religion of the country, all Saudis are Muslims. Since Muslims believe that "There is no God but Allah, and Mohammad is his last Messenger", and that Allah is the creator and controller of the universe, Islam plays a vital role in shaping almost every aspect of Saudi life.

**TABLE 4.1**  
**SAUDI ARABIAN POPULATION FIGURES**

<i>Category</i>	<i>Males</i>	<i>Females</i>	<i>Totals</i>
Saudi Nationals	6,211,213	6,093,622	12,304,835
Non-Saudi	3,255,328	1,369,131	4,624,459
Total	9,466,541	7,462,753	16,929,294

Source: General Statistics Department (1993).

## 4.7 THE POLITICAL AND LEGAL SYSTEM

Saudi Arabia is a monarchy, ruled by a King who is also the head of the Council of Ministers. The King and the Council of Ministers are the executive powers in the country. The aim was to complete the organisation of the State on the basis of the Islamic Sharia. The Basic Government System was issued on the first of March 1992. It aimed to cover the various aspects of life in the Kingdom whilst also directing the political conduct of the government. The system's first article states: "The Kingdom of Saudi Arabia is a fully sovereign Arab, Islamic State. Its religion is Islam. Its constitution is the Quran and the Sunnah (Hadith) of the Prophet (Peace be upon him), its language is Arabic..." Hence, the main sources of the Kingdom's constitution are the Holy Quran and Sunnah (the Prophet Mohammad's Teachings). All laws and regulations in the Kingdom are derived from the Islamic Sharia as stated in the Holy Quran and the Sunnah, and all laws and regulations should be referred to the "Senior Ulama committee" (Religious Scholars chosen by the King) to ensure that they do not contravene Islam. On the same date, the Custodian of the Two Holy Mosques, King Fahad Ibn Abdul-Aziz issued the Royal Decree No. A/91, approving the Al Shura Council System which was based on an adherence to the path of Allah (God), and which stuck to Islamic legislation sources. This Council is made up of a speaker and 60 members who are selected by the King from among scholars, experts and specialists. The Basic Government and Al Shura Council Systems were issued simultaneously with the Provinces System and the result is that instead of the five administrative provinces which existed in the past, the Kingdom of Saudi Arabia is now made up of 14 provinces, whose individual aim is to improve their administrative efficiency and development within the Kingdom (Ministry of Information, 1992).

## **4.8 HISTORICAL BACKGROUND**

The Kingdom of Saudi Arabia covers about four fifths of the Arabian Peninsula which has witnessed the rise of many civilisations, all of which have been eclipsed since the dawning of Islam in 611.

Before the unification of the Kingdom, security was totally non-existent in the Arabian Peninsula. Struggles between tribes were always present and robbers and thieves often attacked caravans of pilgrims arriving by land or sea to the holy places (Ministry of Information, 1992).

The influence of Al-Saud began in 1744 when Imam Mohammed Ibn Saud, the governor of Al Deriyah near Riyadh, supported Sheikh Mohammed Ibn Abdul Wahab, a devout Muslim Reformer, when he launched his efforts in the town of Al Oyaynah near Riyadh, urging people of the Peninsula to come back to the true faith of Islam (Al-Farsy, 1990; Ministry of Information, 1992). Imam Mohammed Ibn Saud devoted his efforts in the service of Islam and waged Jihad (the Holy struggle) against deviators from the right path until he died in 1765 (Ministry of Information, 1992).

Having presented brief background information on the history of the Arabian Peninsula, it is now time to turn to the development of the Saudi State. Historians divide the development of the Saudi State into three periods (Ministry of Information, 1994):

### **4.8.1 First period: 1744-1819**

This period began when the ruler of Diriya (near Riyadh), Prince Mohammad Ibn Saud, and Sheikh Mohammad Ibn Abdel Wahab agreed to join forces. Four rulers reigned over the Saudi State during this period which ended in 1819 when the Ottoman State undertook a military campaign, led by Ibrahim Bashah.

#### **4.8.2 Second Period: 1824-1891**

This period started in 1824 when Imam Turki Ibn Abdullah occupied Riyadh and liberated the Najd region (the central part of Saudi Arabia) from the Ottoman forces of Mohammad Ali Basha, and ended in 1891 when Mohammad Ibn Rasheed, the ruler of Hail (North of Saudi Arabia), occupied Riyadh from Abdel Rahman Al Faisal, (King Abdul-Aziz's father), who migrated with his family to Kuwait.

#### **4.8.3 Third period: since 1902:**

This period started in 1902 when King Abdul-Aziz recaptured Riyadh and began the unification process. Al-Saud Jihad (the Holy Struggle) in the service of Islam has played a vital role in the existence of the current developing state. Al-Saud Jihad continued since the era of Imam Mohammed Ibn Saud and up to the era of King Abdul-Aziz, the founder of the Kingdom of Saudi Arabia in 1932. King Abdul-Aziz (1932-1953) won many wars against tribes who were against the unification of the Arabian Peninsula under the rule of Al-Saud. He also captured the eastern province from Ottoman forces. After 31 years of struggle, he declared the establishment of the Kingdom of Saudi Arabia on 23 September 1932, which is the country's national day. During this era, King Abdul-Aziz established the administrative and economic structures of modern Saudi, and assured its recognition as a nation-state by the West (Ministry of Information, 1994).

##### **4.8.3.1 King Saud (1953-1964),**

During this era King Saud supported educational development at all levels by establishing the King Saud University in 1957 at Riyadh, and the Islamic University and Public Administration Institute in 1960. The Public Administration Institute has been playing a significant role in managerial development in the Kingdom ever since.



Its major objectives are designing and carrying out various managerial training programmes for those in need from both public and private sectors, and adopting various administrative research programmes as well. Laws and regulations covering all aspects of life were formulated during the era of King Saud (Ministry of Information, 1992).

#### **4.8.3.2 King Faisal Era (1964-1975).**

During this period encouraging steps were taken towards economic and social development. It is an era which was characterised by a quickening pace of development, specifically in the establishment of the infrastructure for modernisation, with the state taking the initiative in implementing large industrial projects, utilising the country's oil and mineral resources. During this era the State started to adopt a five-year development plan method, the first of which was worked out for the period 1970-1975 (Ministry of Information, 1992, 1994).

#### **4.8.3.3 King Khaled Era (1975-1982).**

This era was characterised by the intensification of development efforts, due to the growth of oil revenues. It also witnessed the establishment of two of the biggest industrial complexes, SABIC (Saudi Arabia Basic Industry Corporation) in 1976 in Jubail on the east coast, and Yanbu Industrial City in 1979 on the west coast of the Kingdom (Ministry of Information, 1992, 1994).

#### **4.8.3.4 King Fahad (1982-till the present day)**

King Fahad adopted the title of the "Custodian of the Two Holy Mosques" in 1986, and has devoted his efforts to the development and improvement of the Holy places in Mekka and Medina in the western province of S.A (Ministry of Information, 1994). In 1991, King Fahad played a historic role in the liberation of Kuwait.

## 4.9 THE SIGNIFICANCE OF THE KING FAISAL ERA

The King Faisal era is considered the most important and remarkable era in Saudi history. During this era the country began to modernise and major changes in almost every field of Saudi society began to take place.

King Faisal was quoted in 1973 as saying (Nehme, 1994):

**“Revolutions can come from thrones as well as from conspirators’ cellars. We need everything in this country, but stability is the first priority.” (Nehme, 1994, p. 632).**

There were two significant elements within Saudi society at this time, the conservatives and the modernisers, and in its movement for change, the Saudi government satisfied both by giving modernisers what they needed without sacrificing Islamic values and principles.

According to Nehme, the conservatives were those who wanted things to stay as they were before the discovery of oil, and considered any attempt to change the inherent cultural values and traditions as a threat to the community (those who were not positively affected by the oil exploitation). On the other hand, modernizers were not only those who represented the new classes and were favourably affected by oil exploration, but were those who called for change and reform.

Being aware of the fact that loyalty to Islam is indisputable among all Saudis, King Faisal decided to convince the traditionalists of the necessity for progress by using religious logic, saying that (Nehme, 1994):

**“Our religion.... requires us to progress and advance and to bear the burden of the highest tradition and best manners. What is called progressiveness in the world today, and what reformers are calling for, be it social, human, or economic progress is all embodied in the Islamic religion and laws.” (p. 633).**

During the 60s, King Faisal announced his ten-point development programme. This programme's main objectives were to complete the basic infrastructure of government services, and to establish its supporting institutes. It also provided the expansion of communications, the development of education, and growth in employment (Ministry of Planning, 1995; Ministry of Information, 1992; Nehme, 1994).

The "Central Planning Organisation" was set up in 1964 for the purpose of drawing up five-year plans to organise the country's development in the areas of data, statistics, reports and documents covering all domains of life in the Kingdom (Ministry of Information, 1992).

In the mid 1390s A.H, (1970 AD), the CPO (Central Planning Organisation) submitted to King Faisal the first five-year plan covering the period from 1970-71 to 1974-75. Its objectives were to maintain Islamic values, and to raise the living standards and welfare of Saudi people, whilst providing material security and maintaining economic and social stability (Al-Farsy, 1990).

By submitting the first development plan, Saudi Arabia started an era of organised comprehensive development. Since the Saudi five-year plans were based on free-market concepts which were justified by Islamic laws, the following quotation of King Faisal is especially significant (Nehme, 1994):

**"We are going ahead with extensive planning, guided by our Islamic laws and beliefs... we have chosen an economic system based on free enterprise because it is our conviction that it fits perfectly with our Islamic laws and suits our country..." (p. 635).**

It is worth mentioning, however, that before the era of planning, Saudi society was basically a community which emphasised its religious and tribal traditions. Yet, the Saudi approach to development is nevertheless described as distinctive in the

history of the free market system, because its material and social objectives are derived from Islamic and cultural ethical principles (Ministry of Planning, Sixth Plan 1995-2000; Nehme, 1994).

#### **4.9.1 King Faisal and Arab Nationalism**

The above discussion focused on the importance of King Faisal era to the development of Saudi society. In terms of Arab affairs, King Faisal played a significant role in strengthening Arab Nationalism during Arab-Israeli Wars. The start of modern Arab Nationalism can perhaps be traced to the ousting of King Farouq of Egypt in 1952 by the revolution led by Abdul Nasser, manifesting itself for the first time to the West in 1956 with the closing of the Suez Canal. The subsequent attack on the Canal by combined British, France and Israeli forces served to strengthen the feeling of Arab unity against the common enemy, the West.

### **4.10 ECONOMIC SITUATION AND DEVELOPMENT PROCESS**

Until the 1930s, camel caravans traversed the Arabian Peninsula, and dhows (lateen-sailed vessels) traded at seaports. Agriculture and income generated from the Hajj (the annual pilgrimage to Mekkah) were important sources of revenue, as well as pearl fishing along the East Coast. Saudi Arabia's unification, followed by the discovery of oil in 1938, had a dramatic impact on economic, social and political conditions (Ministry of Information, 1991). This section will highlight the economic situation of the Kingdom, focusing on the importance of the results of the five-year development plans on development, and the impact on individual Saudis.

#### **4.10.1 The Development Plans**

Before the discovery of oil (1938), the Saudi economy was poor. The start of oil production, however, triggered a sudden and huge increase in wealth, which



enabled the government to adopt its ambitious systematic development programmes towards modernity. In 1958, the "Development Committee" was established, which was replaced in 1964 by the "Central Planning Commission". In 1970, the Central Planning Commission submitted the first five-year development plan and since then, the development strategy in the Kingdom has been based on regular five-year development plans as a framework to control its action towards efficient growth. In 1975, and due to increasing planning responsibilities, the "Central Planning Commission" was promoted to the "Ministry of Planning" which employed modern and scientific techniques in carrying out its tasks.

Although each plan has its own focus and objectives, certain permanent goals were set to ensure that Saudi Arabia developed effectively in every aspect. These goals are summarised as follows (Ministry of Information, 1992):

- 1- Economic growth and social stability;
- 2- Diversifying the economic base and reducing dependence on oil exports;
- 3- Developing human resources;
- 4- Developing and maintaining the physical infrastructure;
- 5- Raising the standard of living and improving the quality of life;
- 6- Expanding the role of the private sector.

It should be noted that these long-term goals were targeted in such a manner that the religious and moral values of Islam would continue to be upheld. This in turn reflects the strong religious orientation of the Saudi government.

Since 1970, five development plans have been implemented, and the Sixth Development Plan is still in the process of being established. Table 4.2 shows some details of the main focus of these plans and the amounts spent on the major sectors.

Each of the five development plans has had its own targets and priorities. In light of the Kingdom's long term goals and strategic objectives, their emphasis on economic, social and institutional aspects varies.

**TABLE 4.2**  
**TOTAL EXPENDITURES OF MAJOR DEVELOPMENT**  
**SECTORS\* IN THE SIX DEVELOPMENT PLANS (1970-1995)**

	<i>First DP**</i>	<i>Second DP</i>	<i>Third DP</i>	<i>Fourth DP</i>	<i>Fifth DP</i>	<i>Sixth DP</i>
Period	1970-1975	1975-1980	1980-1985	1985-1990	1990-1995	1995-2000
Total***	34.134	347.212	625.224	348.946	327.8****	472*****

\* (Economic resources, human resources, health, and social services, and infrastructure). \*\* DP is development plan \*\*\* (In SR Billion). \*\*\*\* (Estimate value). \*\*\*\*\* (Estimate value)

The First Five-Year Development Plan was launched in August 1970, covering the period from 1970-71 to 1974-75. The financial scale of this plan was modest by today's standards. The budget allocated for this plan was set at SR 34.134 billion (\$9 billion), 50% of which was allocated to capital projects. This first plan provided a comprehensive framework, which for the first time aimed to control its efforts towards effective growth. The main objectives of this plan were basically to uphold the steady expansion of the economy, to improve government services, and sustain the development of human resources and the management of the economy through new administrative programmes. This plan also placed great emphasis on encouraging the private sectors to expand, especially in agriculture and manufacturing.

The Second Five-Year Development Plan was issued in mid 1395 A.H. (1975 AD) covering the period from 1975 to 1980. During the implementation of the second plan, oil revenues rose dramatically, enabling the government to meet demands in services and housing precipitated by rapid economic and population growth. A total of SR 347.212 billion was allocated to this plan, 49% of which was set aside for the development of a physical infrastructure, and for social and productive transactions. To maintain a high economic growth rate, the government established a number of major economic institutions, including the specialised credit funds, SABIC (Saudi Arabian Basic Industries Corporation), the Ministry of Industry and Electricity, and

the Royal Commission for Jubail and Yanbu, whose task was to develop two large new industrial cities (Ministry of Planning, Sixth Development Plan 1995-2000).

The primary focus of the third plan was to complete the major development projects implemented by the second plan. The budget allocated for the development projects was SR 625.224 billion (\$166 billion) and special emphasis was placed upon investing in productive agencies. Due to the collapse of oil prices in the second half of the Third Plan period, the government encouraged economic diversification by establishing large public investment projects (e.g., petrochemical industries) in order to be less dependent on the oil sector; and attempted to engage the private sector in the development process, by providing the necessary financial subsidiaries. In response to government incentives and funding, considerable growth was reported in manufacturing industries and agriculture (Ministry of Planning, Sixth Development Plan 1995-2000).

It should be noted that in just over a decade, the achievements of the first three plans made a radical contribution to the transformation of the economy and social life of Saudi people. These achievements would not have been possible without the use of a systematic approach. It is important to recognise, however, that oil revenues decreased during the period of the second plan and Saudi Arabia's special position in the international oil market disappeared. As a consequence, the government decided that maintaining the economic growth rate and the development progress during the Fourth Plan and beyond should be based on three essential principles: industry, technology, and a free economy.

The Fourth Five-Year Development Plan (1985-1990) placed special emphasis on completing the diversification of the economy, by encouraging the growth of the private non-oil sector and by expanding government services to meet social needs.

This plan was formulated to achieve specific objectives, namely the safeguarding and consolidation of Islamic values and Allah's Sharia (God's Divine Law). The Ministry of Planning summarises these objectives as: (i) continuing with the structural changes to the Kingdom's economy to produce a diversified economic base emphasising industry and agriculture; (ii) reducing dependence on the production and export of crude oil as the main source of national income; (iii) completing infrastructure projects in order that overall development might be achieved; and (iv) developing human resources in order to ensure a constant supply of manpower. Although the total budget planned to achieve the Fourth Plan's objectives was set at SR1,000 billion, 50% of which (SR500 billion) was allocated to development agencies, the actual expenditure on these sectors was only SR348.946 billion (\$93 billion). This was due to a further decline in world oil markets during the Fourth Plan period, which in turn caused government revenues to fall. Expenditures were reduced accordingly and the resulting government expenditure declined to 20% below target. This situation reaffirmed the strategic importance of the fundamental long-term goal of economic diversification in reducing dependence on oil revenues (Ministry of Planning, Fifth Development Plan 1990-1995).

The Fifth Plan (1990-1995) was unique in several aspects: (i) it gave greatest emphasis to the role of the private sector in accelerating the process of economic diversification; (ii) it accelerated the Saudisation process by strengthening the capabilities of the national labour force and by improving health, education and a wide variety of other social services; and (iii) it placed emphasis on the improvement of the technological base in many economic sectors, whilst the introduction and development of innovative technologies ensured that the increasing needs of a modern society were met. The Fifth Plan was formulated to achieve a number of major objectives: (1) to



develop human resources to meet the requirements of the national economy; (2) to reduce dependence on crude oil exports through completing restructural changes and the diversification of the economy, with more emphasis placed upon industry and agricultural development; (3) to develop the quality of utilities and facilities by improving their level of performance; and (4) to encourage further private sector participation in socio-economic development. The planned allocations by the government in order to achieve these objectives amounted to about SR753 billion. But the Gulf crisis and War to liberate Kuwait caused a substantial decrease in both government revenues and expenditures, and a fiscal strategy was implemented which aimed at rationalising government expenditure. In the end, the total expenditures for the main development sectors in the Fifth Plan were only SR327.8 billion (\$87 billion). Despite the uncertainties of the period, however, substantial progress was made in achieving the objectives of the Fifth Plan (Ministry of Planning, Sixth Development Plan 1995-2000; pp. 46-58).

Once the Fifth Development Plan had been completed, however, the Kingdom made substantial progress towards achieving its development objectives. Available data indicate that the last five development plans have achieved high development standards in the fields of basic infrastructure, economy, industry, and social services, such as education and health (Table 4.3).

An ongoing result of the first five development plans (1970-1995) is that the Kingdom's Gross Domestic Product (GDP) is still growing dramatically. The expansion in crude oil production at the start of the Fifth Plan was sufficient to ensure that GDP grew at an average annual rate of 4.1% over the Fifth Plan period. Tables 4.4, 4.5 present details of the Gross Domestic Product by sector, and the relative GDP contributions of the oil and non-oil sectors during the Fifth Plan.

**TABLE 4.3**  
**MAJOR ACHIEVEMENTS OF THE FIRST FIVE**  
**DEVELOPMENT PLANS DURING THE PERIOD 1970-1994**

<i>Sectors</i>	<i>Major Achievements</i>
<i>Transport</i> <sup>1</sup>	Road network expanded to 138.6 thousand km.
<i>Telephone Lines</i>	Operating telephone lines rose to 1.53 million
<i>Agriculture</i>	Crop area rose to 1,370,100 hectares producing 8,177,900 tons of agricultural crops.
<i>Commerce</i>	The total number of companies reached 7,815, and the total number of firms operating in the Kingdom reached 423,896. The total number of commercial agencies became 4,819 most of which are American, British, and German.
<i>Industry</i>	The number of industrial units reached 2,355. Total production of the cement plants during 1994 was 17.0 million tons. Total production of various petrochemicals and metal products in SABIC's plants during 1994 amounted to 20.8 million tons.
<i>Education</i>	The number of students at different levels of general education increased to 3 million (M&F)*. The teaching staff rose to 220,236. The number of students enrolled at the various institutions of higher education increased to 172,610. The teaching staff also increased to 12,168. Students at technical institutes stood at 10,995 during 1994. The cumulative number of students enrolled at the vocational training centres reached 169,150.
<i>Health</i>	The number of governmental hospitals stood at 173 with a capacity of 26,878 beds, where private hospitals stood at 72 with a capacity of 6,592 beds.
<i>Real Estate</i>	The cumulative amount of loans disbursed by REDF** reached SR113,1 billion which helped to finance the construction of 535,061 owner-occupied and investment-oriented housing units.

\* (Male and Female) \*\* REDF (is the Real Estate Development Fund).

Source: SAMA (1996) (Saudi Arabian Monetary Agency)

- 1- In addition to the road network, the Saudi Railways Organisation and Saudi Airlines have contributed significantly to the development of Transport and Communications services. The number of passengers who travelled by rail during 1994 totalled 444,600, while Saudi Airlines carried about 12.5 million passengers in the same year.



**TABLE 4.4**  
**GROSS DOMESTIC PRODUCT BY SECTORS**  
**IN THE FIFTH PLAN (AT CONSTANT 1990 PRICES)\***

<i>Sectors</i>	<i>Value Added (SR billion)</i>		<i>Average Annual Growth %</i>	
	1990	1995**	Target	Actual
Production sectors	83.0	93.2	5.7	2.4
Manufacturing	25.2	31.1	6.8	4.3
Service sectors	83.7	89.8	3.6	1.4
Fin., Ins., R.E, Bus. Sv***	23.1	25.2	5.7	1.8
Non-oil sectors	224.5	249.4	3.7	2.1
<b>Gross Domestic Product</b>	<b>310.8</b>	<b>380.8</b>	<b>3.4</b>	<b>4.1</b>

\* Development of real growth of GDP at (1409/10) (1990) prices should not be compared with figures presented in current prices, which reflect the cash value of current transactions in the economy.

\*\* Estimate. \*\*\* finance, insurance, real estate, and business services.

**TABLE 4.5**  
**GROSS DOMESTIC PRODUCT IN THE FIFTH PLAN: OIL AND  
NON-OIL SECTORS**

<i>Sectors</i>	<i>Value Added (SR billion)*</i>		<i>Average Annual Growth %**</i>	
	1990	1995	Target	Actual
Non-oil sectors	215.0	276.3	3.7	1.9
Oil sectors***	93.3	161.1	2.7	8.9
Other Items****	2.5	2.7	NA	NA
<b>Gross Domestic Product</b>	<b>310.8</b>	<b>440.1</b>	<b>3.2</b>	<b>4.1</b>

\* Current prices. \*\* (1990 prices). \*\*\* Oil sector is defined in this table according to the definition adopted by CDS, which includes petroleum refining. Since petroleum refining is related to the other economic sectors, it will be included as part of the non-oil producing sectors in the other tables. \*\*\*\* Import duties less bank service charges

In July 1995, the Custodian of the Two Holy Mosques approved the Sixth Development Plan. As a result of the Sixth Plan, the Kingdom has completed twenty five years of balanced and comprehensive planning. During this time, the development plans have focused on the achievement of the objectives mentioned above, and future plans will stress the continuing commitment to these tasks by maintaining and extending the development already accomplished. This commitment will be based on

three major themes as the Minister of Planning, Abdulwahab A. Attar stated in the preface to the Sixth Development Plan (1995-2000):

"The Sixth Development Plan has been prepared against the background of international and local conditions that have been particularly notable...it is against this background that three major themes have been chosen for the Sixth Development Plan, namely, to develop and increase the employment opportunities of Saudi manpower, to raise the levels of economic efficiency in both government and private sectors, and to enhance the private sector's role in the economy." (Preface of Sixth Development Plan)

The Sixth Plan represents an important phase in the continuing economic and social development of the Kingdom. With the implementation of the Fifth Plan, the Kingdom accomplished tremendous achievements in many different sectors of the economy, including its physical infrastructure, industry, construction, agriculture, mining, transport, trade and financial services, and in the development of public and private institutions. Much still remains to be achieved, however, if the Sixth Development Plan is to achieve its specific objectives, which are outlined as follows:

- 1- To safeguard Islamic values by observing and confirming Allah's Sharia (God's Divine Law);
- 2- To uphold the security and social stability of the Kingdom;
- 3- To develop human resources;
- 4- To complete restructuring the economy through continuing diversification, to reduce its dependence on oil revenues, and to maintain high economic growth rates;
- 5- To continue encouraging the participation of the private sector in socio-economic development;
- 6- To develop mineral resources and to encourage discovery and utilisation thereof;
- 7- To complete infrastructure projects necessary for the achievement of the overall development;
- 8- To promote scientific activity in order to raise cultural standards;
- 9- To achieve economic and social integration with the Gulf Cooperation Council (GCC) countries, and to enhance economic cooperation with Arab and Islamic States and other friendly countries.

An estimated budget of SR472 billion will be required to achieve the economic growth targets set for the Sixth Plan. The Sixth Plan is expected to accomplish specific achievements in several development domains, including aiming to create



340,000 jobs for Saudi citizens. It is also hoped that all sectors will show positive growth trends, with producing sectors growing at an average annual rate of 4.2%, and the service sectors at 4.4%. Tables 4.6, 4.7 present details of the expected performance of the Kingdom's national economy during the Sixth Plan period.

**TABLE 4.6**  
**GROSS DOMESTIC PRODUCT IN THE SIXTH PLAN: OIL AND**  
**NON-OIL SECTORS (AT CONSTANT 1990 PRICES)\***

<i>Sectors</i>	<i>Value Added (SR billion)</i>		<i>Average Annual Growth %**</i>
	1995	2000	
Non-oil sectors	235.9	285.1	3.9
Oil sector**	142.8	172.5	3.8
Other Items***	2.1	1.0	NA
<b>Gross Domestic Product</b>	<b>380.8</b>	<b>458.6</b>	<b>3.8</b>

\*GDP contributions valued in 1990 prices are not comparable to their counterparts valued in current prices. \*\* According to the CDS definition, this table includes petroleum refining as part of the oil sector. In other tables, petroleum refining is included as a component of the non-oil producing sectors. \*\*\* Import duties less imputed bank service charges.

Source: (Ministry of Planning, Sixth Development Plan 1995-2000).

**TABLE 4.7**  
**GROSS DOMESTIC PRODUCT BY SECTORS IN THE SIXTH**  
**PLAN (AT CONSTANT 1990 PRICES)\***

<i>Sectors</i>	<i>Value Added (SR billion)</i>		<i>Average Annual Growth %**</i>
	1995	2000	
Producing sectors	93.2	114.5	4.2
Manufacturing	31.1	39.5	4.9
Service sectors	89.8	111.2	4.4
Fin., Ins., R.E., Bus. Sv.**	25.2	30.7	4.1
Non-oil sectors	249.4	301.5	3.9
<b>Gross Domestic Product</b>	<b>380.8</b>	<b>458.6</b>	<b>3.8</b>

\* Not comparable to sectoral contributions in current prices\*\* (Finance, Insurance, Real Estate, and Business services)

#### **4.11 THE ROLE OF THE PRIVATE SECTOR IN ECONOMIC DEVELOPMENT**

The expansion of the private sector is one of the central themes of the Sixth Development Plan. Its importance stems from the essential role the private sector is expected to play in the accomplishment of the Kingdom's overall development objectives. The concept of the private sector is normally based on the criterion of privately owned establishments which engage in various industrial, agricultural and commercial activities with the aim of realising profits. The role of the private sector in the development process began after the historic increase in oil revenues during the Second and Third Development Plans. During these two plans, the government provided various incentives to the private sector to encourage them to become involved in the comprehensive development process in the Kingdom. The reliance of the private sector upon government expenditure was, however, reduced with the increasing instability of the Kingdom's oil revenues during the Fourth and Fifth Plans. The Fifth Development Plan firmly reinforced the theme of private enterprise in the development process with the government announcement of its intention to privatise some of its existing commercial activities. The enhancement of the private sector's role in the development process represents the central principle of the Sixth Development Plan and reflects the unique feature of the present stage of development, which differs from those of earlier plans.

The Saudi economy is now facing great challenges, and the private sector is required to cooperate with the government in facing these challenges by effectively contributing to the achievement of various specific targets within the framework of the Sixth Plan. The private sector is expected to (i) account for 57% of total fixed capital formation; (ii) contribute from its own resources 45% of the total investment required

during the Plan period (Table 4.8); (iii) achieve a real average annual growth in value added of 4.3%; (iv) elevate its share in non-oil GDP from 72% at the beginning of the Sixth Plan to 76% by the end of its period; and (v) increase the employment of Saudi nationals by 466,000 employees, as projected through the replacement of 284,000 non-Saudis by Saudis and the establishment of 182,000 new jobs.

In addition, the private sector has an important role to play in improving the Saudi economy's international competitiveness, through raising the quality of national products, by reducing production costs and by a more intensive use of scientific and technological research, innovations and inventions. The high cost associated with investment in advanced technology and scientific research has so far deterred the private sector from developing its own technological capabilities and from being innovative in the field of research and development (R&D). Hence, the private sector needs more encouragement to develop its own technological capabilities, by: (i) making use of the national research centres (e.g., King Abdul-Aziz City for Science and Technology KACST, Saudi universities); (ii) adopting pro-active R&D policies; and (iii) establishing research and quality control laboratories.

Since 1982 government expenditures in achieving development requirements have exceeded revenues. To finance these deficits, the government used reserves built up during 1393-1401 A.H (1972-1980). In addition, from 1408 A.H (1987) onwards, the government resorted to new methods of deficit financing through borrowing against the issuance of development bonds, while public sector companies raised funds on international markets. The unusual conditions of the Fifth Plan period forced the government to reduce its expenditure by a considerable margin, whilst in the interim the government has not been able to use its foreign exchange reserves to finance budget deficits. The Sixth Development Plan has consequently been restricted as a result of



complex financial circumstances. Long-term economic expectations, however, for the next 20 years suggest positive growth for the oil sector and expanding potential for the development of the non-oil sectors. Such expectations are supported by the private sector's substantially expanded role in the development process and by continuous effective improvements in its investment activities, production techniques, and organisational structures. (Ministry of Planning, Sixth Development Plan 1995-2000).

**TABLE 4.8**  
**ESTIMATE OF SIXTH PLAN INVESTMENT FINANCING**  
**REQUIREMENTS BY SECTORS AND SOURCE**  
**(SR BILLION AT CURRENT PRICE)**

<i>Sector</i>	<i>Total Sixth Plans</i>	<i>Private Sector</i>	<i>Public Sector*</i>
<b>Producing Sectors</b>	<b>181.0</b>	<b>88.9</b>	<b>92.1</b>
Agriculture, Forestry, Fishing	14.6	10.0	4.6
Other Mining, Quarrying	4.1	2.2	1.9
Manufacture	64.7	31.8	32.9
Petroleum Refining	4.2	2.1	2.1
Petrochemicals	22.2	2.8	19.4
Other Manufacturing	38.3	26.9	11.4
Electricity, Water	83.1	31.5	51.6
Construction	14.5	13.4	1.1
<b>Service Sectors</b>	<b>92.0</b>	<b>76.8</b>	<b>15.2</b>
Trade, Restaurants, Hotels	24.6	24.4	0.2
Transport, Communications	32.9	21.9	11.0
Fin., Ins., R.E., Bus. Sv.**	26.2	23.3	2.9
Real Estate	10.3	8.2	2.1
Financial and Business services.	15.9	15.1	0.8
Community, Social, Pers.Sv.	8.3	7.2	1.1
Government services	103.4	0.0	103.4
Residential Housing	64.1	47.0	17.1
<b>Non-Oil Sectors</b>	<b>404.5</b>	<b>212.7</b>	<b>227.8</b>
Crude Oil and Natural Gas	31.5	0.0	31.5
<b>Total Investment</b>	<b>472.0</b>	<b>212.7</b>	<b>259.3</b>

\* Government agencies specialised funds and public companies, \*\* Finance, Insurance, Real Estate and Business Services



Development planning in Saudi Arabia places great emphasis on social and cultural issues. It is well recognised that economic development is not an objective in itself, but rather that it is an instrument for creating appropriate financial conditions, adequate living standards and a social environment within which the Saudi individual can develop. It is also acknowledged that economic progress promotes social stability by maintaining the community's cultural and religious values.

#### **4.12 FACTORS INFLUENCING SAUDI CULTURE**

The culture in which an organisation operates is considered one of the main sources of its values, beliefs, and ideologies. These values and beliefs, which are developed outside the organisation are instrumental in shaping its members in terms of their actions and behaviour, and consequently it is vital that any organisation reflect these cultural inferences to attain its objectives. This is especially important if one also considers that the cultural environment of any organisation cannot, by its very nature, be designed, directed or controlled (Ministry of Planning, Sixth Plan 1995-2000). Several factors have contributed significantly to the shaping of contemporary Saudi culture, among which are historical events, religion, political systems, its economic situation and development, Western influence, and the recent regional crisis.

During the last fourteen centuries, the Arabian Peninsula has witnessed a variety of historical events that have had a direct impact on the society of the Arabian Peninsula such as: (i) the birth of Islamic religion in 611 in the western part of the Arabian Peninsula (Saudi Arabia); (ii) the Islamic Jihad (Holy Struggles); (iii) the existence of different Islamic Empires from the Ommayyad Empire (661-750) to the Ottoman Empire (1412-1918) and the consequent Islamic schools; (iv) the Islamic Wahhbi Movement in 1744; the conquest of Riyadh in 1902 and the foundation

process by King Abdul-Aziz. There is no doubt that these events have played an important role in the creation of the thoughts, beliefs, and way of life in the Arabian Peninsula society. The influence of historical events, however, is particularly apparent in the strong Islamic tribal-family orientations and attitudes of the Arabian Peninsula people (Ali, 1990).

The Islamic religion has influenced almost every aspect of life in Saudi society, for example in State administration, foreign policies, and commercial activities (Nyrob, 1985). Since the foundation of the Kingdom, the Saudi government has based all political, economic, and social development efforts on the principles of Islam and has followed the Holy Quran and Sunnah (Prophet's Teachings) as the governing constitution (Ministry of Planning, Sixth Plan 1995-2000). Thus all Saudi regulations are derived from the Islamic Sharia, as stated in the Quran and the Sunnah of the Prophet (peace be upon him). All regulations are referred to the Senior Ulama Committee in order to ascertain their compatibility with the provisions of Islam. Hence, the implication of Islamic religion for the Saudi culture is reflected in the predominance of Islamic behaviour in all aspects of life and to the increase, strengthening and stabilisation of its social relations (Ministry of Planning, Sixth Plan 1995-2000).

Saudi Arabia is ruled by the King who is also the Prime Minister. It has a ministerial system, with the central government staffed by a professional civil service. The State consists of 14 local provinces governed by local governors (Emirs) who are the regional and district administrators. Tribal leaders manage the internal tribal activities. In an attempt to enhance the political system of the Kingdom, King Fahad approved the Al Shura Council System in 1992. Its decisions are to be referred to the Prime Minister, who in turn refers them for review by the Council of Ministers. If the

views of the two councils concur, the decisions are issued as long as the King concurs, but if they have divergent views, the King may approve what he believes right. All political decisions are exclusive within the house of Saud and remain with the King (Nyrob, 1985). The Kingdom follows a free trade (market) system, and maintains friendly and strong trade relations with free industrial countries (non-communist). It does, however, have only a few trade links and limited diplomatic relations with the remaining communist countries.

As regards the economic situation, the process of government-induced development in Saudi Arabia began over 40 years ago when the first small oil revenues provided the means for the government to improve economic and social conditions in the Kingdom. Since 1970, the Kingdom has adopted a system of comprehensive planning for economic and social development as detailed above, based on Islamic values and principles, to guide development in a coordinated and balanced direction. The general objectives of the economic and social development policy are to maintain the Kingdom's religious and moral values, and to raise the living standards and welfare of the Saudi people, whilst also providing for material security and maintaining economic and social stability (Al-Farsy, 1990). The Saudi economy can be described as a people's capitalism (Higan, 1991; Looney, 1982), and the Saudi government is one of the governments most committed to free enterprise in the world. The distinguishing mark of the Islamic-based economic system is that economic actions are considered spiritual since they are guided by Islamic values and goals (Siddiqui, 1978).

Regarding Western influence, it is important to recognise that Saudi Arabia has never been occupied by any foreign country. The discovery of oil and the consequent development projects, however, have created a critical need for effective coordination

with the West and other foreign partners. In the past, resources available to the Kingdom consisted largely of its petroleum reserves, its land and its people, although a scarcity of trained and qualified manpower did exist. It was recognised that the acceleration of the Kingdom's development would largely depend upon the utilisation of modern technology and knowledge from abroad. The development requirements and the political instability in the region during the last two decades have necessitated the interconnection with western cultures politically, intellectually and artistically. Although such involvement has been beneficial, it has also introduced ideas and cultural aspects to Saudi that sit uneasily alongside its traditions.

With regard to the regional crisis, the Gulf has witnessed two dramatic regional wars, the Iraq-Iran war (1980-1988) and the liberation of Kuwait in 1991. The Gulf region is still experiencing instability as a direct impact of these conflicts. Instability exists when the political, social and economic agencies of a country are unable to meet society's expectations (Meri Report, 1985). The deployment of international troops on Saudi's land has created a critical situation for the Kingdom because of the consequent and divergent reactions both internally and externally. During the presence of these troops, the government adopted some political and social changes. Politically, King Fahad announced the government's intention to reactivate the Al-Shura Council (the Council of Conciliation). This reform enabled the citizens to take part in government decisions, whilst on a social level, women were welcomed to participate in military services in the medical field (Higan, 1991).

Saudi culture is an inseparable part of Islamic civilisation in terms of religion and morals, as it is an inseparable part of Arab civilisation in terms of language, history and literary heritage. Such a connection is an eternal destiny, historically and traditionally. Undoubtedly, social life in the Kingdom has faced challenges associated



with the development process, and this has resulted in a cultural expression which signifies the extent of sentimentalism felt towards the material achievements of development and the resultant influx of new information and knowledge. Consequently, these radical changes in Saudi society have definitely led cultural life onto a new path. Such a change in direction cannot be analysed without considering the historical background of the Kingdom and its part in modern history (Sixth Plan 1995-2000).

#### **4.13 IMPLICATIONS FOR SAUDI MANAGERS**

The societal and cultural values of Saudi society before the discovery of oil and the implementation of development plans were basically those of a tribal and Islamic community. The discovery of oil led to a rapid growth in towns and cities in the Kingdom. Such growth motivated people to migrate from the desert and villages into major cities (e.g., Dammam, Khobar, Dhahran, Riyadh, and Jeddah) to work for modern companies (e.g., Arabian American Oil Company, ARAMCO). As a result, traditional and modern men work together. In the management environment, it is now common to see Saudi managers with a set of modern and traditional values and attitudes (Ali and Al-Shakhis, 1991). This means that although rapid growth and modernisation have had a major impact on the social and cultural values and beliefs of Saudi society, Saudi managers are still committed to the religious and cultural values of their society. Meanwhile, as a result of rapid economic and social developments as well as the increased contact with the foreign world, some aspects of life in the country have been changed. Many Saudis went to the West seeking knowledge or training in business and came back with new ideas and values that are foreign to those of Saudi society. Western executives and consultants, and Western-educated Saudi

managers have also introduced many business firms and other types of social institutions into Saudi Arabia. The adoption of Western knowledge has influenced the traditional values and some patterns of social behaviour. Hence, conflicting values and behaviours in Saudi society, especially between old and young generations are attributable to economic and educational factors (Altorki, 1987).

One can conclude that Saudi managers' style like other Arab managers' (Atiyyah, 1993; Abuznaid, 1994) is influenced by three major factors: Islam, tribalism, and the West.

The Islamic religion has a great and direct impact on Saudis' behaviour. Its management perspective is characterised by the balance between the material, the spiritual and the psychological well being of the individuals and groups in society (Abdulgader and AL-Bureay, 1993). Consultation, honesty, planning, supervision, and teamwork are some of the Islamic perceptions and guidelines that could well be applied to management (Abuznaid, 1994). Good faith, fairness, security and assurances, systematic thinking, commitment to work, and forgiveness are some of the characteristics of a Muslim leader as manifested in the Holy Quran and Sunnah. There are other characteristics as well, such as a compromising managerial style, a concern for people, consultation and a commitment to objectives (Abuznaid, 1994). Islamic laws also give some examples of Haram practices (forbidden practices). Any business related to alcohol, cheating, and maximisation of profit instead of reasonable profit, is an example of forbidden means of gaining wealth, even if they derive from allowable sources (Al-Habshi, 1993; Abuznaid, 1994). Hence, Saudi managers, like other Muslim administrators, are likely to be significantly influenced in their thinking, behaviour and life style by their religious and social values and beliefs (Abuznaid, 1994).

Tribal traditions and perceptions also play an important role in influencing the managerial environment (Ali, 1990). One outcome of "tribalism" is that Saudi managers and subordinates do not want to work for an anonymous company but want to feel that they are part of a family-like organisation where they will be recognised (Hofstede, 1980; AL-Moalmy, 1991). Relations between firms and their employees, regardless of their nationalities is usually open and informal (Al-Adwan, 1991).

Like most developing countries, the Kingdom has been influenced by Western culture, but remains fortified by Islamic social values and traditions (Alqahtani and Cook, 1995). Although many Saudi managers have been educated partly in the West, they are not particularly impressed with Western values or conduct and have the self-confidence to conduct their business according to Saudi (Islamic) laws and customs (Alqahtani and Cook, 1995). In an attempt to reinforce Saudi Islamic and social values, Imam University has designed a special training programme for students and trainees who have had scholarships to study abroad, especially in Western countries, in order that they might uphold and strengthen their Islamic knowledge and values.

#### **4.14 RELIGIOUS TEACHINGS: ISLAMIC FAITH**

Since Islam is the strongest cultural force within the Kingdom, it is important to present some useful information about the Islamic religion. It was mentioned earlier in this chapter that Saudi Arabia is, indeed, the birthplace of Islam and that all Saudis are Muslims. Islam guides Saudis in every aspect of their daily life including business activities, and from an Islamic perspective, managers are requested to show behavioural patterns that strongly reflect the customary Islamic way of life.

#### 4.14.1 Islamic Religion-Background

Islam is an Arabic word denoting complete submission, surrender and obedience to Allah (God). It also means "Peace". The Islamic religion was propagated by the Prophet Muhammad (peace and blessings of Allah be upon him) in the seventh century (611AD) and is built on five pillars of belief and practice. They are:

- 1- Testimony of Faith (Al-Shahadah): "There is no God but Allah and Muhammed is his messenger". It also affirms the absolute unity of Allah (God) and Muhammed as his last messenger;
- 2- Prayer (Al-Salah): Muslims pray five times a day. Specific times are determined for these prayers: at dawn (Fajr Prayer), at noon (Dhohr Prayer), in the afternoon (Asr Prayer), after sunset (Maghrib Prayer), and after dark (Isha'a Prayer);
- 3- Alms (Al-Zakat): This means giving money to the needy. It is paid once annually and equals 2.5% of the capital. Muslim individuals can pay it directly to the poor, or it can be collected by the state as a tax from business firms and distributed amongst the poor;
- 4- Fasting (Al-Siyam): Fasting takes place in the month of Ramadan. Ramadan is the ninth month of the Arabic calendar. During Ramadan, teenage and adult Muslims fast from before dawn till after dark. All restaurants or similar businesses should be closed during these times.
- 5- Pilgrimage (Al-Hajj): Muslims must undertake a pilgrimage to Mekkah once in their lifetime if they can at all afford it.

However, Islam as a religion is not confined to a specific set of tenets. It is rather, a comprehensive system covering all aspects of life and human activity (e.g., social, economic, political, personal, organisational...etc). Islamic laws and regulations are derived from four sources: (i) the Holy Quran; (ii) the Sunnah (Prophet's traditions and teachings); (iii) Al-ijma (consensus); (iv) Al-Qiyas (analogy). Ulama (senior religious scholars) play an important role in the daily life of the



Muslim society. Their influence is not derived from any formal authority but is due to their assumed expert knowledge of the religion (Al-Hammad, 1988).

#### **4.14.2 Islamic Beliefs and Teachings**

This section will be devoted to the presentation of some of the Islamic thoughts and teachings as well as some prescriptions regarding various aspects of people's life, the main aim being to provide the reader with the main principles and beliefs of Muslims as they are originally mentioned in the Quran and Sunnah.

Muslims believe that the Quran is God's word. In this respect, Allah (God) provides knowledge indicating that the Quran is his word saying:

**"Verily We: It is We Who Have sent down the *Dhikr* (i.e. the Quran) and surely, We Will guard it (from corruption)"(Quran 15:9).**

The Quran also contains many references to the unity of Allah (God) and that he is the creator and the controller of the whole universe. In this regard, Allah says in the Quran:

**"He is Allah, than Whom there is *La ilaha illa Huwa* (none has the right to be worshiped but He) the All-Knower of the unseen and the seen (open). He is the Most Beneficent, the Most Merciful". (60:22)**

**"He is Allah than Whom there is *La ilaha illa Huwa* (none has the right to be worshiped but He) the King, the Holy, the One Free from all defects, the Giver of security, the Watcher over His creatures, the All-Mighty, the Compeller, the Supreme Glory be to Allah! (High is He) above all that they associate as partners with him." (Quran 60:23).**

**"He is Allah, the Creator, the Inventor of all things, the Bestower of forms, To him belong the Best Names. All that is in the heavens and the earth glorify Him. And He is the Almighty, the All-Wise." (Quran 60:24).**

Then Allah (God) commands man to believe in Him and not to follow the devil's ways. In this regard, Allah says in the Quran:

**“O you who believe! Enter perfectly in Islam (by obeying all the rules and regulations of the Islamic religion) and follow not the footsteps of Shaitan (Satan). Verily! He is to you a plain enemy.”(Quran 2:208).**

The Quran explains the main mission of the prophets (peace be upon them), and also indicates that Allah (God) created man and provided him with the necessary needs to fulfil all his material needs in his life. Allah mentions in the Quran:

**“Indeed We have sent Our Messengers with clear proofs, and revealed with them the Scripture and the Balance (justice) that mankind may keep up justice, and We brought forth iron wherein is mighty power (in matters of war), as well as many benefits for mankind...” (Quran 57:25).**

The Quran provides more knowledge about the graces, materials and substances that Allah has given to mankind. The main goal behind this knowledge is to remind all mankind of God’s givings so they will become strong believers. The Quran says:

**“O mankind! Remember the Grace of Allah upon you! Is there any creator other than Allah who provides for you from the sky (rain) and the earth? *La ilaha illa Huwa* (none has the right to be worshiped but He). How then are you turning away (from Him).” (Quran 35:3).**

Moreover, the Quran presents many guidelines that provide guidance for man in his life, which in turn constitute the Islamic religion. In this respect, Allah indicates the main goal behind the creation of all mankind and the whole universe. Allah says in the Quran:

**“And I (Allah) created not the jinns and humans except they should worship Me; I seek not any provision from them (i.e. provision for themselves or for My creatures) nor do I ask that they should feed Me (i.e. feed themselves or My creatures); Verily, Allah is the All-provider, Owner of Power,--the most strong.” (Quran 51:56-58).**

**“Our Lord! You have not created (all) this without purpose, glory to You! (Exalted be you above all that they associate with You as**

partners). Give us salvation from the torment of the fire.” (Quran 3:191)

Islam exhorts people to learn and acquire knowledge so as to understand their creator, the universe, and to manage their life, better. In this regard, Allah says:

“Read! In the Name of your Lord, Who has created (all that exists), has created man from a clot (a piece of thick coagulated blood). Read! And your Lord is the Most Generous, Who has taught (the writing) by the pen (the first person to write was Prophet Idress (Enoch), Has taught man that which he knew not.” (Quran 96:1-5).

“Say: “Are those who know equal to those who know not?” it is only men of understanding who will remember (i.e. get a lesson from Allah’s Signs and Verses).” (Quran 39:9)

Truthfulness, obedience, avoidance of alcohol and usury are also among the main principles of Islam. Muslim individuals are requested to be trustworthy in worshipping Allah and must obey Him, His messenger (Mohammad) and their superiors. They are also requested to keep away from bad habits, which are forbidden by Islam. Allah says in the Quran:

“O you believe! Be afraid of Allah, and be with those who are true (in words and needs).”(Quran 9:119).

“O you who believe! Obey Allah and obey the messenger (Mohammad), and those of you (Muslims) who are in authority. (And) if you differ in anything amongst yourselves, refer it to Allah and His Messenger, if you believe in Allah and in the Last Day. That is better and more suitable for final determination.” (Quran 4:59).

“O you who believe! Intoxicants (all kinds of alcoholic drinks), gambling, *Al-Ansab*, and *Al-Azlam* (arrows for seeking luck or decision) are an abomination of *Shaitan*’s (Satan) handiwork. So avoid (strictly all) that (abomination) in order that you may be successful.” (Quran 5:90).

“O you who believe! Eat not *Riba* (usury) doubled and multiplied, but fear Allah that you may be successful.” (Quran 3:130).

“Those who eat *Riba* (usury) will not stand (on the Day of Resurrection) except like the standing of a person beaten by *Shaitan* (Satan) leading him to insanity. That is because they say: “Trading is only like *Riba* (usury). Whereas Allah has permitted trading and forbidden *Riba* (usury). So whosoever receives an admonition from his Lord and stops eating *Riba* (usury) shall not

**be punished for this; his case is for Allah (to judge); but whoever returns [to *Riba* (usury)], such are the dwellers of the fire-they will abide therein.” (Quran 2:275).**

In this regard, Prophet Muhammad (peace be upon him) gives Muslims important advice on how they should organise their life, and guides their behaviour in their daily transactions in order that they will be rewarded in the thereafter. Narrated Abu Huraira: The Prophet said,

**“Avoid the seven great destructive sins.” The people enquired, “O Allah’s Messenger! What are they?” He said, “(1) To join others in worship along with Allah; (2) To practice sorcery; (3) To kill the life which Allah has forbidden except for a just cause, (according to Islamic law); (4) To eat up *Riba* (usury); (5) To eat up an orphan’s wealth; (6) To show one’s back to the enemy and fleeing from the battlefield at the time of fighting, and (7) To accuse chaste women, who never even think of anything touching chastity and are good believers.” (Al-Bukhari, 1994, pp 577).**

In the punishment of those who paint pictures, Prophet Muhammad (peace be upon him) said: Narrated Ibn Umar: Allah’s Messenger said,

**“Those who make pictures will be punished on the day of Resurrection, and it will be said to them, ‘Make alive what you have created.’ ” (Al-Bukhari, 1994, pp 950).**

Furthermore, Islam exhorts Muslims to follow their superiors’ orders as long as they are in line with the Islamic rules. In listening to and obeying the Imam (i.e. Muslim ruler, chief, superior...etc) (if he abides by Allah’s Orders), Prophet Muhammad said: Narrated Ibn Umar: The Prophet said,

**“It is obligatory for one to listen to and obey (a Muslim ruler’s orders) unless these orders involve one in disobedience (to Allah) is imposed, one should not listen to or obey it.” (Al-Bukhari, 1994, pp 604).**

**Narrated Abu Huraira that he heard Allah’s Messenger saying: “He who obeys me, obeys Allah, and he who disobeys me, disobeys Allah. He who obeys the Muslim chief, obeys me, and he who disobeys the Muslim chief, disobeys me...” (Al-Bukhari, 1994, pp 604-605).**



Islam holds that those who will obey Allah and His Messenger will be successful and will be admitted to Paradise, where those who disobey Allah and His Messenger will be punished in the fire of hell. In this regard, Allah says in the Quran:

**"And whosoever obeys Allah and His Messenger (Muhammad) will be admitted to Gardens under which rivers flow (in Paradise), to abide therein, and that will be the great success. And whosoever disobeys Allah and his Messenger (Muhammad), and transgresses His limits, He will cast him into the fire, to abide therein; and he shall have a disgraceful torment." (Quran 4: 13-14).**

**"Save the chosen slaves of Allah (faithful, obedient, true believers of Islamic Monotheism). For them there will be a known provision (in Paradise). Fruits; and they shall be honoured, In the Gardens of delight (Paradise), Facing one another on thrones, Round them--will be passed a cup of pure wine; White delicious to the drinkers, Neither they will have Ghou (any kind of hurt, abdominal pain, headache, a sin, etc) from that, nor will they suffer intoxication therefrom. And with them will be chaste females, restraining their glances (desiring none except their husbands), with wide and beautiful eyes. (Delicate and pure) as if they were (hidden) eggs (well) preserved...Truly, this is the supreme success! For the like of this let workers work." (Quran 37: 40-49, 60-61).**

**"Is that (Paradise) better entertainment or the tree of *Zaqqum* (a horrible tree in Hell)? Truly We have made it (as) a trail for the *Zalimun* (polytheists, disbelievers, wrong-doers, etc.). Verily, it is a tree that springs out of the bottom of hell-fire, The shoots of its fruit-stalks are like the heads of *Shayatin* (devils); Truly, they will eat thereof and fill their bellies therewith. Then on the top of that they will be given boiling water to drink so that it becomes a mixture (of boiling water and *Zaqqum* in their bellies). Then thereafter, verily, their return is to the flaming fire of Hell. Verily, they found their fathers on the wrong path; So they (too) made haste to follow in their footsteps! And indeed most of the men of old went astray before them;--And indeed We sent among them warners (Messengers);--then see what was the end of those who were warned (but heeded not). Except the chosen slaves of Allah (faithful, obedient, and true believers of Islamic Monotheism)." (Quran 37:62-74).**

The main objective of this chapter was to provide the reader with a useful background on Saudi Arabia and those historical factors, which have had great

influence on current Arab management thinking. In addition, general information about the country such as: location, population, area, weather, religion, and the political system was presented. The economic development that maintains and safeguards Islamic values and cultural principles has similarly been discussed, as have the factors that have shaped Saudi society and their implications for Saudi managers. Finally, brief background information on Islam and Islamic beliefs and teachings was provided. Since Saudi Arabia is a unique environment where one can find both conservatism and a rapid economy, it is important to focus on the main characteristics of the Saudi business environment and those factors by which it is influenced. The next chapter, therefore, will devote itself to a discussion of the Saudi business environment and Islam's influence upon it.

## **CHAPTER FIVE**

### **BUSINESS ENVIRONMENT AND ISLAMIC INFLUENCE IN SAUDI ARABIA**

## **CHAPTER FIVE**

### **BUSINESS ENVIRONMENT AND ISLAMIC INFLUENCE**

### **IN SAUDI ARABIA**

#### **5.1 INTRODUCTION**

The main purpose of the present chapter is to clarify the significance of the Islamic religion in terms of its influence upon both business and managerial practices in Saudi Arabia. This chapter consists of three sections, the first section of which will focus on Islam and its influence on business activities, the second will discuss Saudi Arabia in terms of its economic, social and cultural, political and legal, and technological environment, and finally the third section will provide a useful insight into Islamic perspectives regarding managerial practices.

#### **5.2 BUSINESS FROM ISLAMIC PERSPECTIVE**

It was mentioned in the previous chapter that the daily transactions of Saudis, including their business activities, are only spiritual if they are in line with the guidelines and principles of Islam (Siddiqi, 1978). These principles and guidelines can be easily identified in the two main sources of Islamic Religion namely, the Quran and Sunnah (Prophetic Traditions). Islam, for example, condemns those who hoard their wealth and prevent it from circulating or from being spent in the causes of Allah (God). In this regard, Allah says: "...And those who hoard up gold and silver [*Al-Kanz*: the money, and *Zakat* of which has not been paid], and spend it not in the Way of Allah, --announce unto them a painful torment. On the day when that (*Al-Kanz*: money, gold, silver, etc., the *Zakat* of which has not been paid) will be heated in the



Fire of Hell and with it will be branded their foreheads, their flanks, and their backs, (and it will be said unto them): - this is the treasure which you hoarded for yourselves. Now taste what you used to hoard." (Quran 9:34, 35).

In addition, Islam strongly condemns any type of hoarding, especially those who hoard goods and prevent them from being supplied in the market place for the sake of maximising profits (Al-Quradawi, 1980; Dadfar, 1984)). The main reason behind such condemnation is that by preventing the supply of goods and products from the market place, free trade is restricted. It should be noted, however, that Islam encourages its followers to practise business (Dadfar, 1984), and is not against any form of business since it is in harmony with Islamic principles. Allah (God) says in this respect: "O you who believe! Eat not up your property among yourselves **unjustly** except it be a **trade** amongst you." (Quran 4:29). "Unjustly" or wrongful ways may include those forms of businesses that involve injustice, cheating, making unreasonable profits or promoting and selling forbidden goods (Al-Quradawi, 1980). The following four practices are those which Islamic principles forbid in business:

- 1- **Making of Riba (usury)** refers to the pre-determined rate of interest on financial loans. Allah (God) says: "Allah has permitted trading and forbidden *Riba* (usury)" (Quran 2:275). Islam strongly prohibits any sort of interest charge in business transactions. This fundamental principle urges that both partners (lenders and borrowers) should share profit and risk (Boase, 1985).
- 2- **Bribery** gifts (money, goods, etc) that are given to a person in an influential position are called bribes and are strongly condemned by Islam. Islam holds that both the giver and those who accept it will be punished in the day of judgement. "The Apostle of Allah (peace be upon him) cursed the one who bribes and the one who takes." (Sunan Abu Dawoud)

3- Fraudulent or false practices refer to the gain or profit collected by fraudulent means. This includes cheating, games of chance (maysir), gambling, magic, and the use of inaccurate measures in general. Allah says “ O you who believe! Intoxicants (all kind of alcoholic drinks), gambling, *Al-Ansab*, and *Al-Azlam* (arrows for seeking luck or decision) are an abomination of *Shaitan* (Satan) handiwork. So avoid (strictly all) that (abomination) in order that you may be successful.” (Quran 5:90).

4- Trade in forbidden goods includes all products that are religiously condemned and considered as impure. Islam forbids, for example, the selling of alcoholic beverages, drugs, and idols, and earnings from such businesses are sinful. Prophet Muhammad said: “Allah and His Messenger made illegal the trade of alcoholic liquors, dead animals, pigs and idols.” (Al-Bukhari, 1994, pp 489).

These are examples of what is forbidden by Islam in business. It is clear, however, that Islam influences almost every act of business activity. In Saudi Arabia for example, Islam impacts on nearly all business shops and stores which close during prayer times. In addition, in the Muslim world in general, and in the KSA in particular, all business and public institutions have their own mosques and have a prayer-break to perform their prayer conveniently. Moreover, during the month of Ramadan (the holy month), private and public businesses reduce their working hours so as to allow Muslim individuals to fast easily. Restaurants are closed during the days of Ramadan and open only at night. Islam as a way of life is much more than a specific set of beliefs, it provides standards and guidelines for almost every aspect of human activity (Corcoran, 1981).

### **5.3 THE IMPACT OF THE ISLAMIC RELIGION UPON THE SAUDI ENVIRONMENT**

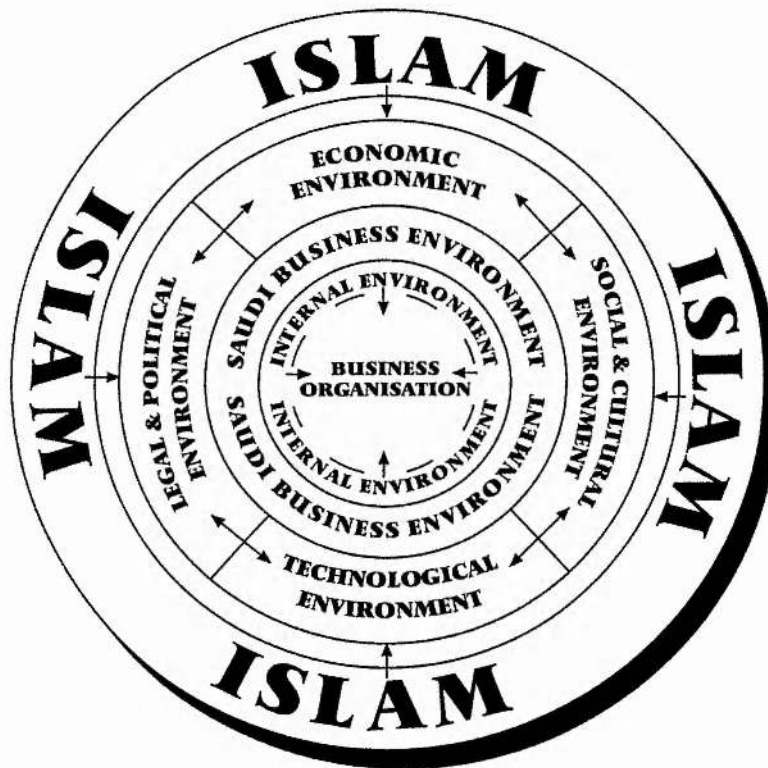
From the previous discussion, one can infer that Islam influences both the internal and external environments of a business firm. The above examples showed how Islam affects an individual's perceptions, beliefs, and values that constitute the internal environment of Saudi business firms. Islam, therefore, influences the day-to-day practices of all members and managers within business organisations in S.A. As for the external environment, Islam plays an important role in the totality of life in the Kingdom including economic, social and cultural, political and legal, and technological components of the Saudi environment (Alqahtani and Cook, 1995). The impact of the Islamic religion upon Saudi environment is diagrammed in Figure 5-1.

#### **5.3.1 Economic Environment**

For most business organisations, economic issues are important criteria (Fritzsche, 1991). The discussion in the previous chapter illustrates how economic planning in S.A is based on Five-Year Development Plans, which are designed as a systematic tool to enhance and control its progress towards effective development growth. The main feature of these plans was that they aimed to integrate the development measures taken by the government with the energy of the private sector in a free-market economy, whilst maintaining the overall authority of Islamic values (Ministry of Planning Fifth Plan 1990-1995). The Saudi business sector, therefore, plays two important roles in the economic system of the Kingdom: it participates in development projects, and provides services and goods to government, to consumers, and to businesses.

FIGURE 5-1

THE IMPACT OF THE ISLAMIC RELIGION UPON THE SAUDI ENVIRONMENT



Source: Adopted from Alqahtani and Cook,(1995)

### 5.3.2 Socio-Cultural Environment

For every environment, the sociocultural element is made up of the customs, norms, and values that characterise the society in which the organisation functions, and are vitally important to organisations, because they determine the products, services, and standards of conduct that the society is likely to value (Griffin, 1995). The potential elements of Saudi culture are apparent in the first article of the basic government system, it indicates that the “KSA is an Arab, Islamic State. Its religion is Islam and its language is Arabic”. It was mentioned in the previous chapter that Saudi culture is an inseparable part of both the Islamic and Arab world in terms of religion, morals, language, and history.



Islam is the most influential factor in Saudi culture. It influences peoples' perceptions, beliefs and needs as well as business strategy and activity. Pure silk, for example, is religiously forbidden to men. Thus it is unlikely that one would find Saudis wearing this type of material. Moreover, Islam condemns dresses which may attract men's attention. Hence, Islam urges women to cover themselves using long sleeves and a floor-length uniform. Regarding food and drinks, Islam prohibits certain types of food and drink (e.g., Pork, hung, dead animals, alcoholic beverages, drugs) (Abdalati, 1989). Islam prohibits the mix of women and men especially in the workplace and requires women to observe a high level of moral conduct in public. In addition, women are not allowed to drive automobiles in KSA. Women's participation in business, therefore, is quite limited. As a result, the values of Saudi male managers will be the focus of this study.

Having knowledge of the above rules and measures is a requirement for all business firms, especially those who want to enter the Saudi market. It is well recognised that Saudi Islamic rules and traditions have led to the creation of new ideas and products and thus, to new market opportunities, for example, the invention of the Islamic compass (MEED<sup>1</sup>, October, 1975).

The language of any society is an integral part of its culture. In Saudi Arabia's case, the Arabic language is much more than a cultural language, rather it is a religious language because it is the language of the Holy Quran. Saudis are very proud of their language and prefer to use Arabic language over any other languages in their business transactions (Alqahtani and Cook, 1995; Elbashier and Nicholls, 1982). It is important therefore, that Saudi business firms and those who wish to do business in the Saudi market introduce their products and goods using the Arabic language.

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1) Middle East Economic Digest

There is no question that societal forces are considered quite important to the decision-makers in business organisations (Fritzsche, 1991), and that business organisations in any country have to recognise that social issues are significant, and that moral principles of the society must be met.

### **5.3.3 Political and Legal Environment**

This section will focus on the political-legal system in KSA in terms of its relation to the business environment. The potential importance of the political and legal systems to business stems from the fact that they define what an organisation can and cannot do. These systems also influence management policy and in terms of long-range planning it is important that this remains stable (Griffin, 1995).

In terms of stability, Saudi Arabia is considered a secure commercial environment with low political risk (Rateb, 1996). The defeat of the Iraqi invasion of Kuwait in the second Gulf war provides strong evidence of the determination of the West in general and the US in particular to defend the Kingdom. Internal conditions are also seen as stable, regardless of the concerns about the challenge posed by the Kingdom's militant Islamic factions. This political stability provides an appropriate environment for business in the Kingdom, and attracts foreign business from different countries to deal with local business firms (Business Monitor International Ltd., 1993). The country's religious position is also widely seen as a significant source of its stability. Saudi Arabia is recognised as the birthplace of Islam and the country in which the holiest places in the Islamic faith are located, and this explains the distinguished position of SA in the world.

In KSA, the Islamic Sharia is the main source of laws and regulations, including those related to business transactions. The Quran, Sunnah, consensus, and

analogy are the main sources of the Sharia. Consequently, any laws or regulations must be derived from the Islamic Sharia in order to have effect in Saudi courts. Nevertheless, due to a substantial amount of commercial litigation that falls outside the jurisdiction of the Sharia courts, special codes and institutions have been set up to handle cases relating to the Ministry of Commerce, the Saudi Chambers of Commerce, and the Ministry of Finance (Al-Hammad, 1988). These codes and regulations are issued by the Council of Ministers, and both domestic and foreign business firms have to operate in accordance with these codes and regulations. It should be noted, however, that the main conflict between the Islamic Sharia and business conduct in KSA is most apparent in the areas of banking, because the Sharia forbids usury. This problem can be solved either through the establishment of Islamic banks which suggest an interest-free banking system (Ali, 1990), or by making an agreement to pay interest subject to the law of non-Islamic jurisdiction, or by indicating interest obligations in the form of promissory notes in fixed amounts (Morrison, 1981).

With respect to the tax system, the Saudi government does not impose tax on sales or income, including expatriate employees. However, the tax system in KSA includes (Alqahtani and Cook, 1995): (i) *Zakat* (Alms) (2.5% annual obligatory property tax) paid by Saudis and Muslims; (ii) corporate taxes paid by foreigners; and (iii) customs duties paid by both.

Concerning products and services, business firms who are either national or foreign take into account the importance of the Islamic, cultural, and social conduct in KSA. They have to make sure that they do not deal with any of the prohibited products (i.e. selling alcoholic beverages, drugs, pork) or conduct prohibited behaviours (i.e. making usury, offering or accepting bribes, selling anti-religious

clothes, etc). Promotion programmes and advertisements should not violate any of the Islamic or cultural principles. Advertising messages should be clear and direct, avoiding anti-religious images or words, and should not use exaggerating language in order to reach the Saudi customer (Alqahtani and Cook, 1995; Luqmani et al., 1989).

Business policies and strategies are significantly influenced by the political and legal systems of the country. Hence, the more knowledge the business firm has of the political and legal variables, the better its chance of succeeding and surviving in the market.

#### **5.3.4 Technological Environment**

Technological issues contribute greatly to productively implementing the policies and strategies of business firms. Technology applies to a number of areas in the business environment such as: new composite materials for manufacturing products, new communication techniques for promotion, etc (Fritzsche, 1991). Business firms, therefore, must be concerned with the technological element of their environment in order to make informed decisions about investing in innovations (Griffin, 1987).

The lack of a high technological base and well-trained staff were the main developmental constraints facing the Kingdom in the past. With these early obstacles, it was recognised that the acceleration of the Kingdom's development would largely depend upon the utilisation of expatriated technology which was more advanced. While this strategy was successful in introducing advanced technology, it has led to a great dependence on foreign technology. To overcome this problem, the government has taken several measures (Ministry of Planning, Fifth Plan 1990-1995): (i) establishing a long term plan for the development of science and technology; (ii)



coordinating action to expand and improve educational courses and curricula related to science and technology at all levels; (iii) enhancing the government's role in improving the overall infrastructural support for science and technology; and (iv) promoting the establishment and expansion of R&D activities in both the public and private sectors.

The sudden increase in oil revenues during the 1970s enabled the government to implement the above measures successfully. As a result, Saudi institutions, both public and private, now operate some of the most advanced technology in the world. The technology base used in the banking, oil, petrochemical, and military sectors in KSA is regarded as among the most advanced in the world (Al-Turki and Tang, 1998; Abdul-Gader, 1990). In terms of information technology (IT) issues, mainframes and personal computers have dominated the Saudi market for the last two decades. This domination is expected to increase if technological products and services are designed in accordance with the religious and cultural aspects of the Saudi society. For example, Al-Turki and Tang (1998) gave the following view:

**"From continuous observations of the Saudi IT market, the authors would safely predict a noticeable increase in the adoption and utilisation of IT products and services by many elements of Saudi society. The above prediction will be realised if and only if the processes of Arabisation and Islamisation of IT products are taken sincerely and professionally."** (Al-Turki and Tang, 1998, p. 114).

With respect to the technological infrastructure in KSA, King Abdulaziz City for Scientific and Technological (KACST), which was established in 1977 as the central organisation for science and technology development, joined with other universities in the Kingdom to support, encourage, and implement scientific research and the promotion of various technological activities in line with national development objectives, by taking into account the physical, environmental and natural resources of

the Kingdom (Ministry of Planning, Fifth Plan 1990-1995). In the field of communications systems, Saudi Arabia is using the most advanced techniques and equipments in almost all fields of communication. Recently, the Saudi government officially allowed access to the INTERNET and many Saudi institutions now have access to it, e.g., Saudi ARAMCO, KACST, KFSH<sup>2</sup>, and KFUPM. Special efforts will be exerted to make such technological developments remain appropriate to the particular conditions of S.A, so that they might be more widely available to all individuals and institutions in the country.

Since Saudi Arabia has such a unique culture, technological breakthroughs have to be adaptable (Al-Sudairy, 1994). This means that new technologies including IT have to be designed and developed to meet the organisational, social, technical, and religious orientations of Saudi society. With respect to the religious orientation, Islam stands for progress, development, and modernisation as it defines them (Al-Bureay, 1990). Hence, when King Faisal said '**our religion requires us to progress and advance**', he meant that Islam does not condemn science or technology on principle. The Quranic verses and the prophet's sayings all praise the pursuit of knowledge and learning. In encouraging man to learn and invent the necessary physical technology for progress and development of his own, Allah (God) says:

**"O assembly of jinns and men! If you have power to pass beyond the zones of the heavens and the earth, then pass (them)! But you will never be able to pass them, except with authority (from Allah)." (Quran 55:33)**

By 'power', Allah meant knowledge, science and technology, and these are given to the man by the will of Allah (God). Moreover, technological developments

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2) King Faisal Specialist Hospital is one of the most advanced health and research centres in Middle East.

should also be in line with Islamic rules and teachings. Software piracy is, for example, prohibited by Islamic law. In this regard, Sheikh Abdulaziz Ben Baz, the head of the permanent committee for Scientific Research and Ifta (the highest religious committee in the Kingdom), declared on the nineteenth of May 1996 that software piracy is Haram (forbidden) (Appendix H). The reason behind this decision is the reservation and protection of the intellectual work of individuals. Since Arabic is the historical and official language of the Saudi society, technological discoveries must be Arabised in order to ensure their success in the Saudi market. Microsoft Windows and Office, for example, are Arabised and can deal with Arabic text and characters very easily. Hence, public and private organisations should always be informed of both the latest technological breakthroughs and future developments, in order to make effective decisions. In this concern, Fritzsche (1991) gives the following warning:

**“A decision which satisfies technological consideration at one point may not be satisfactory at a future date. A decision which does not take future technology into consideration may be obsolete before it is put into effect.” (Fritzsche, 1991, p. 847).**

In order to ensure their survival and future, business organisations whether national or expatriate, have to cope with the religious, social and cultural beliefs and values of the society in which they function, as environmental forces are substantial determinants in success or failure. Griffin (1995) suggests that ‘When environmental conditions are relatively stable and simple, the organisation experiences little uncertainty and is likely to adopt a rigid structure where rules, regulations, and standards operating procedures can keep things running smoothly. However, when those conditions are relatively dynamic and complex, firms might find it advantageous

to adopt a much less bureaucratic approach and managers face a larger number of environmental variables.'

#### **5.4 ISLAMIC PERSPECTIVE AND MANAGEMENT PRACTICES**

Allah indicates in the Quran that the main function of man is to worship Him. Islamic faith demands that Muslims apply religious and moral conduct to every act of their life, and that every act is considered as "worship" if it is in accordance with the principles and values of Islam. Work is considered, for example, as "worship" if it is conducted within the Islamic framework. It was mentioned above that Islam provides guidelines for almost every aspect of human activity including those related to business. From the Islamic perspective, business is a profession and also a way of seeking the pleasure of Allah (God) (Ismail, 1993), as the aim of business is not only to make profits but also to contribute in any way feasible to the benefit of society. Islam, however, lays down guidelines and principles that Muslim managers should take pains to adhere to: (Siddiqi, 1987): (i) Satisfying one's own needs in moderation; (ii) meeting family responsibilities; (iii) planning for future contingencies; (iv) planning for future generations; and (v) contributing to social services and contribution to the cause of Allah (God). In general, work in Islam is a very heavy responsibility, with many duties and obligations (Al-Mubarak, 1995). Those who are in positions of authority (rulers, administratives, and managers) are personally responsible for their actions and behaviours and will be judged by Allah (God) on the day of judgement. In this context Prophet Muhammad (Peace be upon Him) said: "If any ruler having the authority to rule Muslim subjects dies while he is deceiving them, Allah will forbid Paradise for him." (Al-Bukhari, 1994 pp 1025). The Prophet also said: "Whoever puts the people into difficulties Allah will put him into



difficulties on the Day of Resurrection.” There are certain obligations for which the Muslim ruler or administrator is responsible from the Islamic perspective and it should be noted that what applies to rulers or administrators applies to all Muslim leaders whether they are executives or managers. These obligations are classified into four classes (Al-Mubarak, 1995):

Firstly, their obligations regarding position (general obligations). A Muslim administrator or executive is required to fulfil certain obligations towards his work. These obligations are illustrated as follows:

a) To accomplish his duties satisfactorily. Concerning this sort of obligation, Allah says in the Holy Quran: “Do deeds! Allah will see your deeds, and (so will) His Messenger and the believers. And you will be brought back to the All-Knower of the unseen and the seen. Then He will inform you of what you used to do.” (Quran 9:105). The Prophet Muhammad said “The honest Muslim trustee who does what he is commanded and lives with his heart overflowing with cheerfulness and gives it to one to whom he is ordered, he is one of the givers of charity.” (reported by Bukhari and Muslim).

b) To select his employees from the best qualified candidates on the basis of their own merits, not on anything else (e.g., nepotism). The Prophet Muhammad said, “Whoever entrusts a man to a public office where in his society there is a better man than his trustee, he has betrayed the trust of Allah and his messenger and the Muslims.”

c) Misappropriation is prohibited in Islam. Allah says in the Holy Quran: “Whoever deceives his companions as regards the booty, he shall bring forth on the Day of Resurrection that which he took (illegally). Then every person shall be paid in full what he has earned, and they shall not be dealt with unjustly.” (Quran 3:161). The

Prophet Muhammad (Peace be upon Him) said: "Some people spend Allah's Wealth (i.e. Muslims Wealth) in an unjust manner; such people will be put in the Hell Fire on the Day of Resurrection." (Al-Bukhari, 1994 pp 627).

d) Bribery is also forbidden in Islam. Allah (God) says in the Holy Quran: "And eat up not one another's property unjustly (in any illegal way e.g. stealing, robbing, deceiving, etc.), nor give bribery to the rulers (judges before presenting your cases) that you may knowingly eat up a part of the property of others sinfully." (Quran 2:188). The Apostle of Allah (peace be upon him) cursed the one who bribes and the one who takes (Sunan Abu Dawoud, Narrated by Abdulla bin Amr ibn Aas).

e) Muslim leaders (rulers, administrators, executives, etc.) are not allowed to accept gifts given to them in their offices. This sort of conduct can very easily lead to a bribe and is a very common form of corruption (Al-Mubarak, 1995).

f) Maintaining confidentiality in the workplace. An administrator or executive should keep important information and the secrets of his job or organisation confidential. For example, the minutes of his meetings, problems and information about his organisation's deals should not be disclosed to the public. The Prophet Muhammad said "When a man says something to someone and then turns to you, then it is a trust." The prophet also said, "the secrets of the gatherings are a trust."

g) To assist and cooperate with others at work in order to accomplish his job. Cooperation maintains the spirit of harmony and solidarity between employees and their managers. In the Holy Quran, Allah says, "Help you one another in *Al-Birr* and *Al-Taqwa* (virtue, righteousness and piety); but do not help another in sin and transgression. And fear Allah. Verily, Allah is Severe in punishment." (Quran 5:2). Allah also says "And who conduct their affairs by mutual consultation." (Quran 42:38).

h) To fulfil agreement and promises. Allah says in the Holy Quran: "And fulfil (every) covenant. Verily! The covenant, will be questioned about". (Quran 17:35). Also the Prophet Muhammad (peace be upon him) said: "I will be against three persons on the Day of Resurrection." One of them is "One who makes a covenant in My Name, but he proves treacherous." (Al-Bukhari, 1994 pp 488).

Secondly, obligations to clients are important. These obligations are underlined in the following:

- a) To treat people justly. Allah says in the Holy Quran: "And that when you judge between men, you judge with justice." (Quran 4:58).
- b) To be gracious towards others. Allah says in the Holy Quran, "And be kind and humble to the believers who follow you". (Quran 26:215). Also the Prophet Muhammad said: "May Allah's Mercy be on him who is lenient in his buying, selling, and in demanding back his money." (Al-Bukhari, 1994 pp 1025).
- c) To be willing to listen to people's complaints and needs.
- d) To be responsive to clients' needs. In this respect, the Prophet Muhammad said: "Any man whom Allah has given the authority of ruling some people and who does not look after them in an honest manner, will never have even the smell of paradise." (Al-Bukhari, 1994 pp 1024). Hence, true Muslims should realise the significant role of their beliefs in being accountable before Allah on the Day of Judgement in terms of looking after the needs of his people.

Muslims have four important obligations to subordinates from an Islamic perspective:

- a) To pay their employees (financial obligation). Employees have a right in Islam to expect a financial obligation. The Muslim has the right to get worldly income to meet his needs. In this regard, the Prophet Muhammad said, "I will be against three persons on the Day of Resurrection" one of them is "One who employs a labourer and

gets the full work done by him but does not pay him his wages.” (Al-Bukhari, 1994 pp 488).

b) Not to overwork them and to consider their ability limited. Allah says in the Holy Quran: “Allah burdens not a person beyond his scope.” (Quran 2: 286). For the administrator or manager, gaining the mercy of Allah (God) is conditioned by his mercy towards his employees. The Prophet also said: “He who is not merciful to others, will not be treated mercifully.” (Al-Bukhari, 1994 pp 956). The Prophet Muhammad said, “Your servants are your brothers...so he who has brothers under him should not ask them to do things which are beyond their power and if you do ask them to do such things then help them.”

c) To consider their personal affairs, their problems and their personal conditions. That is (the employees) are to enjoy their vacation. Allah says in the Holy Book: “If they ask your permission for some affairs of theirs, give permission to whom you will of them, and ask Allah for their forgiveness.” (Quran 24:62).

d) To consult their subordinates in their important decisions and in the matters of their organisations. Consultation is one of the Islamic principles. Allah says to his Prophet Muhammad in the Holy Book: “And consult them in the affairs.” (Quran 3:159). Allah also says in the Quran: “And conduct their affairs in mutual consultation.” (Quran 42:38).

**Thirdly**, rulers, administrators and executives have to fulfil certain obligations towards their Supervisors. These obligations are illustrated as follows:

a) To obey them and to fulfil what they are ordered to do in terms of their duties. Allah says in the Holy Quran: “O you who believe! Obey Allah and obey his Messenger (Muhammad) and those of you (Muslims) who are in authority.” (Quran 4: 59).



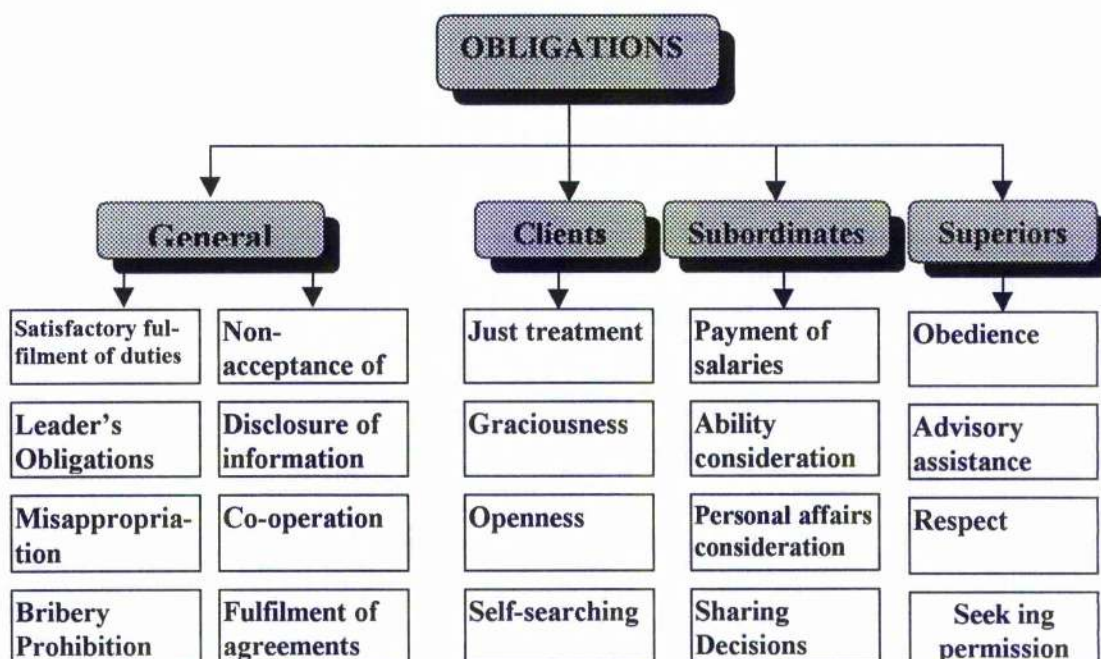
b) To be a sincere and trustworthy adviser to them. The Prophet Muhammad said “Ad. Din is a name of sincerity and well wishing. Upon this, we said: for whom? He replied: For Allah, this Book, and his messenger and for the leaders and the general Muslims.” (Reported by Muslim).

c) To respect their supervisors. The Prophet Muhammad said: “He who dishonours the rules is disgraced by Allah.” (Reported by Tirmidhi).

d) To seek their permission before leaving the workplace or the organisation. Allah says in the Quran: “Verily! Those who ask your permission, those are they who (really) believe in Allah and His Messenger.” (Quran 24: 62).

These types of obligations are illustrated in Figure 5-2.

**FIGURE 5-2**  
**RESPONSIBILITIES AND OBLIGATIONS OF ADMINISTRATOR**  
**AND MANAGER FROM THE ISLAMIC PERSPECTIVE**



These are the responsibilities and obligations of a Muslim ruler, administrator and manager as described in the Holy Quran and Sunnah (Prophet's Traditions). It is

recognised, however, that The Holy Quran and Sunnah contain many references to the conduct of management. With respect to the Islamic style of management, Abdul-Gader and Al-Bureay (1993) gave the following point of view:

**"The Islamic perspective stresses values, ethics, and moral standards from the Islamic point of view and it seeks to maximise such values. Cooperation rather than competition, consultation (shura) rather than authoritarianism in decision making, antibureaucratic measures rather than bureaucratic styles, and moderate leadership authority rather than absolute leadership (a system of superior and subordinate role relationships in which the former is the only source of legitimate influence upon the latter) are basically the main characteristics of the Islamic perspective."** (Abdul-Gader and Al-Bureay, 1993, p. 13).

To demonstrate the Islamic model, Abdul-Gader and Al-Bureay, (1993) compared it with four management models based on Fredreckson's (1980) work for the four Western models. Table 5.1 illustrates the comparison between the Islamic perspective and the other four models.

As the Table indicates, the Islamic model of management aims to maximise values such as justice and freedom, social equity, personal growth in terms of the material and spiritual, the individual's dignity, and productivity in work. It is obvious that a Muslim ruler, administrator or manager is likely to be strongly influenced in the way he thinks, behaves, and in his lifestyle by his religious beliefs (AbuZnaid, 1994).

Some important highlights and considerable historical background have been discussed in both the present and previous chapters. They have included important periods in the history of the Kingdom of Saudi Arabia which played a key role in shaping Saudi culture and values. Economic development and developmental process in one of the most important periods in the Kingdom's history was also underlined.



**TABLE 5.1**  
**ISLAMIC PERSPECTIVE AND CONTEMPORARY**  
**MANAGEMENT MODELS**

<i>Theories &amp; Theorists</i>	<i>Empirical Focus</i>	<i>Major Characteristics</i>	<i>Values to be maximised</i>
<b><i>Classic Bureaucratic Model</i></b>	The Organisation, Work group	Structure, hierarchy, control, authority, chain of command, span of control, centralisation	Efficiency, economy, effectiveness
<b><i>Nonbureaucratic Model</i></b>	The decision	Logical-positivist, operation research, management science, productivity	Rationality, productivity
<b><i>Institutional Model</i></b>	decision (rational) decision (incremental)	Empirical, positivist, rationality technology, bureaucracy as an expression of culture, pattern of bureaucratic behaviour focusing on survival competition	Science, neutral analysis of organisational behaviour, incremental, pluralism, criticism
<b><i>Human relation Model</i></b>	The individual and the Work group	Interpersonal and intergroup relations, communications, motivation, change, training shared authority, consensus	Worker satisfaction, personal growth and individual dignity
<b><i>Islamic Perspective</i></b>	Individual/organisation	Religious & secular motivation stress on values, ethic and morality from Islamic point of view	Justice, freedom, and social equity as outlined in Islamic teachings

Source: Abdul-Gader and Al-Bureay, (1993).

Islamic influence on the business environment in Saudi Arabia was clearly explained, Islamic teachings and their implications were also clarified, as these are the basis on which Saudis in general depend upon in their daily life. Saudi managers, therefore, are expected to show high Religious and Social values in both their personal and managerial lives.

**CHAPTER SIX**

**RESEARCH DESIGN AND METHODOLOGY**



## **CHAPTER SIX**

### **RESEARCH DESIGN AND METHODOLOGY**

#### **6.1 INTRODUCTION**

The main purpose of this chapter is to underline the proposed methodology of data collection to be used to reach the research objectives. This chapter will consist of four main sections. In the first section, selection and design of the research instrument will be described in detail; instrument testing and pilot studies will be explained in the second section; the third section will be devoted to illustrating the framework for collecting the research data needed for statistical analysis; and the sample selection and the data analysis techniques employed will be explained and discussed in detail at the end of this chapter.

#### **6.2 SELECTION AND DESIGN OF THE RESEARCH INSTRUMENT**

Selecting and designing the research instrument used to gather the data needed for analysis is a very important task, to which researchers have to give great consideration and care. Effectiveness of the instrument design adds validity and reliability to the test conducted and the results achieved.

The literature presented in the previous chapter reveals four prominent value classifications. In 1960, psychologists Gordon Allport, Philip Vernon, and Gardner Lindzey studied values in society. The study was based directly upon the German philosopher Eduard Spranger's *Types of Men*: theoretical, economic, aesthetic, social, political, and religious. In 1967, psychologist George England developed a

personal values questionnaire, in which he asked managers to evaluate the importance of 66 different values (Fritzsche, 1995). In 1973, psychologist Milton Rokeach developed a value survey. The survey contained eighteen instrumental values which related to "modes of conduct" and eighteen terminal values which were associated with the "end-states of existence" (Fritzsche, 1995). Recently, Rowe and Boulgarides (1992) developed a Values Inventory Model (VI) based directly on Spranger's and Allport's values.

In England's questionnaire, the subject manager is required to rank the 66 concepts according to importance. This means that some of these 66 concepts are more important to him than other concepts. These concepts are seen to be the subject's operative values, which influence him when choosing appropriate options for solving managerial problems. Since those values that are of most importance to the manager are not all of equal importance to him, some of them will be more important to him than others in the same rank, which may lead him to neglect some of those latter values as they are of less relative importance than they were previously. Thus, it could be said that England's instrument measures only absolute strength as opposed to relative strength which is seen as being very important in solving managerial problems. Relative strength refers to the relative importance of values.

In addition, solving problems in real life requires managers to evaluate and rank all possible alternatives according to their relative importance and not to their absolute importance in order to reach the best option for solving the problem. This leads us to conclude that the relative and not the absolute strength of values should be measured, whilst also taking into consideration the situational factor, which is also lacking in England's questionnaire.

Although England's list was specifically formulated to be relevant for business organisations, McDonald and Gandz, (1992) propose that sixty-six items are cumbersome and, perhaps, improperly focused: while many items are indicative of underlying values, they are not in themselves values.

In Rokeach's value survey, the respondent is asked to rank eighteen terminal values (beliefs or conceptions about ultimate goals or desirable end-states of existence) and eighteen instrumental values (beliefs or conceptions about desirable modes of behaviour that are instrumental to the attainment of desirable end-states) on a scale in order of relative importance. The instrument measures the relative importance of a set number of values (36 single values) and not the relative importance of categories or classes of values where each category or class reflects a number of values.

Rokeach's value survey was utilised by numerous authors in a wide variety of settings in business organisations (Fredrick and Weber, 1987, Schmidt and Posner, 1992; Fritzsche, 1995). They found that many managers did not consider some of Rokeach's values important. They therefore do not have a great deal of influence on decision making. However, the values that managers do consider to be important are likely to significantly influence decision-making behaviour (Fritzsche, 1995). Rokeach's value classification was developed for general application in society and is therefore not relevant to the context of modern business (McDonald and Gandz, 1992). They indicate that Rokeach's end-state values include concepts such as salvation, inner harmony, and mature love. Rokeach's value survey was also investigated by Kline who gave the following point of view:

**"It is difficult to recommend this test. The fact is that it is a collection of thirty-six one-item scales... It seems inconceivable how one item could measure a value." (Kline, 1993, p. 549).**

Although both England's and Rokeach's value scales contributed significantly to the study of individual values, they are inappropriate for practitioners in business contexts or modern business organisations.

In Rowe and Boulgarides' (1992) values inventory model, they argue that instead of there being six values as determined by Spranger and Allport, there are only four categories of values: Pragmatist, Theorist, Idealist and Humanist. Although the value inventory model was correlated with an Allport test and shown to be consistent, there are two problems associated with this model. Firstly, Rowe and Boulgarides used the Pragmatist and Humanist value categories, but it seems difficult to determine whether the Pragmatist manager is more economic or political, and also whether the Humanist is more social or religious. Secondly, for the value inventory test to be a powerful measuring tool, it must be used along with Boulgarides' decision style inventory (1983). Which means that the subject has to complete two instruments instead of one.

Due to the above problems posed by England's, Rokeach's and Rowe and Boulgarides' value surveys, the researcher decided to select Allport's instrument to measure personal values held by Saudi executive managers. Unlike both Rokeach's and England's values scales, Allport's instrument measures the relative prominence of six classes of values (Theoretical, Economic, Aesthetic, Social, Political, and Religious). These values are reflected in a number of questions, based upon a variety of situations and problems likely to exist in real life.

In his study of traits, Allport (1968) proposed the restraints of "heuristic realism" which accepts the common-sense assumption that persons are real beings. According to Allport, each has a real neuropsychic organisation, and our job is to comprehend this organisation (as well as we can) to relate the inside and outside



systems more accurately. But such a relation cannot be established by neglecting ecological, social, and situational factors. At the same time (Allport, 1968) our profession uniquely demands that we go beyond common-sense data and either establish their validity or else, more frequently, correct their errors. To do so requires selecting our trait selections for study and employing rationally relevant methods which are strictly bound by empirical verification.

But according to Allport, the trait studies depend in part upon the investigator's own purposes. The investigator himself creates a situation for his respondents, and his own purpose and methods will limit what he is able to obtain from them. But, Allport continues, this fact need not destroy our belief that, so far as our method and purpose allow, we can elicit real tendencies.

Allport's instrument rests upon an *a priori* analysis of one region of human personality, namely, the region of generic evaluative tendencies. As was stated above, Eduard Spranger made a persuasive case for the existence of six fundamental types of subjective evaluation, Allport decided to put his hypothesis to an empirical test. Allport continues, when confronted by a forced-choice technique, that people do, in fact, subscribe to all six values, but in varying degrees, and that within any pair of values, or any quartet of values, their forced choices indicate a reliable pattern.

### **6.3 THE PURPOSE OF THE INSTRUMENT**

As mentioned above, in this chapter Allport's questionnaire will be used to measure personal values held by Saudi executive managers. But since this research is aimed at measuring the values of managers in both their personal and managerial lives, the researcher has made the following adaptations and additions to Allport's questionnaire:

- 1- Allport's questionnaire was slightly modified in terms of the religious and cultural perspectives of the Saudi society to which it will be applied. (This modification was adopted without affecting the core meaning of the question.)
- 2- A completely new section was developed by the researcher and added to the two parts already included in the existing questionnaire. This new part includes a number of questions based on a variety of controversial problems and situations a manager may face in the workplace, and will provide a tool for measuring the relative prominence of the six managerial values based directly upon Eduard Spranger's classification of values.

The instrument therefore consists of three parts, the first two will measure managers' values in their personal life and the third will measure managers' values in their managerial life. An example of how the instrument could be illustrated follows:

The questionnaire consists of a number of questions, based upon a variety of familiar situations to which there are two alternative answers in part 1, four alternative answers in part 2 and three alternative answers in part 3. In total there are 174 answers, 20 of the first 120 answers (parts 1 and 2) refer to each of the six personal values of managers, and 9 of the last 54 answers (part 3) refer to each of the six managerial values. The respondent records his preferences numerically at the side of each alternative answer. His scores on each page are then added up and the totals transcribed onto the score sheets for both personal values and managerial values. The page totals belonging to each of the six values are then added together to see the significant standing of managers on all values simultaneously. The instrument design is shown in Table 6.1.

**TABLE 6.1**  
**THE RESEARCH INSTRUMENT**

<i>Part No.</i>	<i>Questions Contained</i>	<i>Alternative Answers given</i>	<i>Score of each Question</i>	<i>All Answers Provided</i>	<i>Total Score</i>
<b>1</b>	30	2	3 points	60	<b>90 pts</b>
<b>2</b>	15	4	10 points	60	<b>150 pts</b>
<b>3</b>	18	3	6 points	54	<b>108 pts</b>
<b>Total</b>				174	<b>348 pts</b>

In all, there are 348 points, 240 points of which are distributed evenly over the six values of managers in their personal life. The last 108 points are distributed equally over the six values of managers in their managerial life. Conducting such distribution effectively will help to get a significant ranking and standing of managers on both their personal and managerial values.

#### **6.4 INSTRUMENT TESTING**

Once an initial draft of the instrument has been designed, it should be tested. Several procedures were employed to reduce any possible sources of error that may adversely affect the validity and reliability of the instrument.

Eleven Arabian post-graduate students here in Scotland were asked for their opinions and comments concerning the questionnaire in general. These students, from Saudi Arabia, Libya, and Egypt gave effective feedback, especially on the translation of the English language into Arabic and the difficulty of some of the questions. This feedback was handled carefully and incorporated into the initial draft of the questionnaire.

On February 1, 1997, the researcher was able to return to Saudi Arabia to conduct and administer the questionnaire in the business and industrial community in the Kingdom of Saudi Arabia. The researcher started by completing the test conducted

in Scotland by interviewing two colleagues at Imam University and Dr. Al-Hammad, a professor of marketing, one of the researcher's contacts at King Faisal University. The information received by the interviewees helped to strengthen the questionnaire which was amended in view of their recommendations.

To ensure that the testing of the questionnaire achieved its intended purpose, it was taken to the field for pilot testing. The pilot test was conducted in two different ways:

First, five interviews were held with five executive managers in three different Saudi companies. These interviews were successful and the feedback received was effective and beneficial, especially with respect to the construction of some of the questions.

Second, the questionnaire was sent to twelve Saudi corporations seeking their advice and suggestions regarding its general construction. Two copies were sent to each company to be filled out by two executive managers. 24 questionnaires were sent in total, 11 of which were received back. Many suggestions were received and incorporated into the construction of the final questionnaire.

In the opinion of the researcher's colleagues at Imam University, researcher's friends at other universities, as well as the researcher's experience, holding such interviews and sending the questionnaire to a few large corporations were sufficient as a pilot test.

To ensure the validity and reliability of the instrument, several precautions were taken (e.g., the careful selection of the sample, homogeneity of the items in the instrument, etc.). The extent to which the questionnaire is valid and reliable will be discussed in detail later on in this chapter.

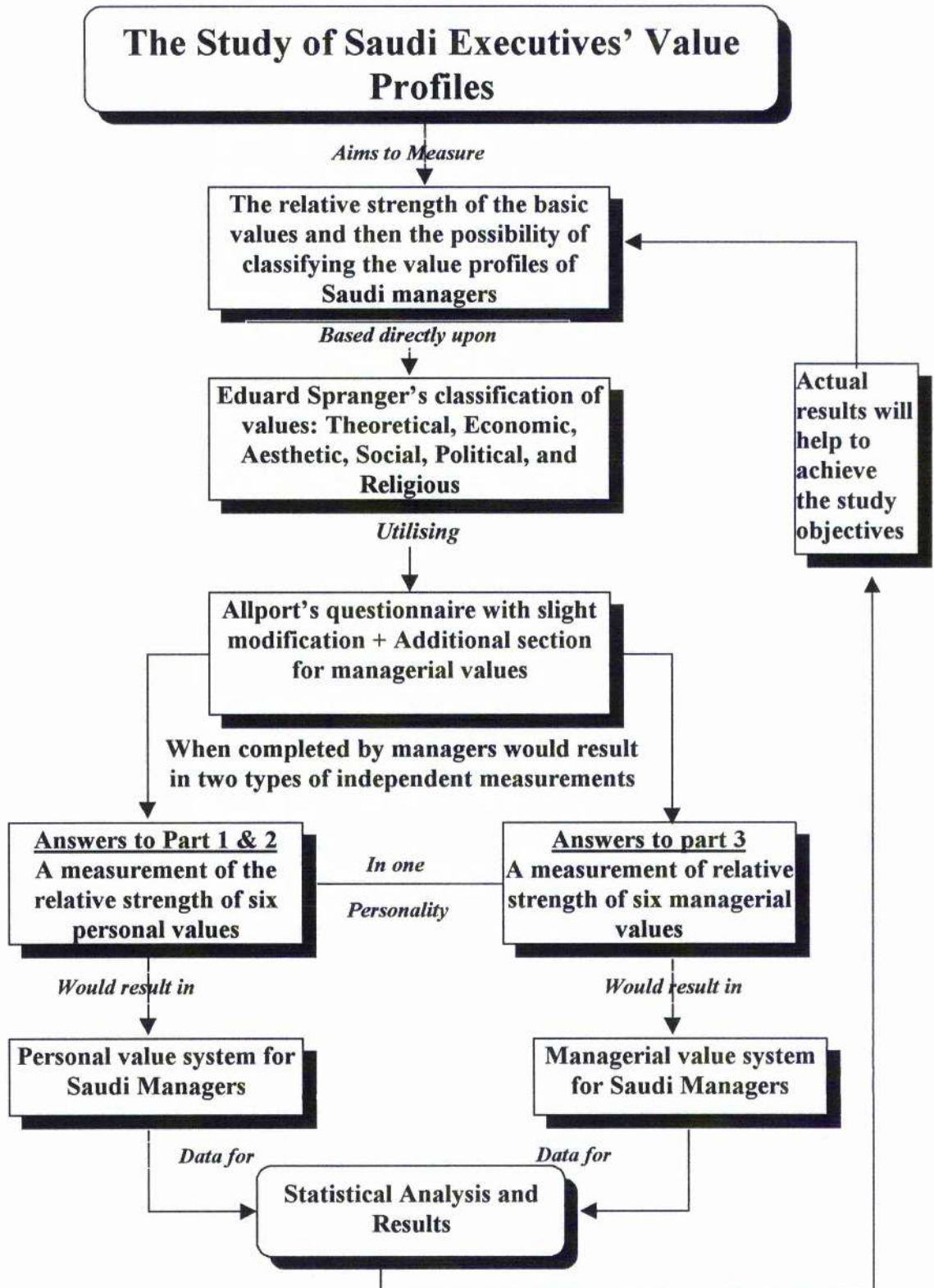


## **6.5 THE FRAMEWORK OF THE STUDY**

The study of values aims to measure the relative prominence of the six basic values in personality discussed above: the theoretical, economic, aesthetic, social, political, and religious, and then to identify the extent to which Saudi managers represent these six classes of values. The study also utilises Allport's questionnaire, with slight modifications and with an additional section containing questions asking managers to make decisions concerning controversial issues in a managerial environment. When completed by the subject manager, this questionnaire would result in two types of independent measurements of one personality: a measurement of the relative strength of 6 personal values (which would lead in turn to an outline of the personal values system of the subject manager) and the relative strength of six managerial values of that same subject manager. Both value systems would provide useful data for analytical purposes. The results reached by the analysis methods would also help to achieve the research objectives. The framework by which data was collected is shown in the following diagram.

FIGURE 6-1

## THE STUDY FRAMEWORK



## **6.6 SAMPLE SELECTION**

Selecting the sample for a study is a key issue and must be given careful attention. Selecting or designing appropriate samples for the study will enable reliable information to be gathered from the sample. There are several issues which the researcher must focus on when designing such a sample. They are as follows (Hawkins and Tull, 1994):

- 1- Selection of the relevant population
- 2- Type of Sample
- 3- Sampling Frame
- 4- Size of Sample
- 5- Cost of Sample

## **6.7 SELECTION OF RELEVANT POPULATION**

The relevant population of any research is highly dependent on the research objectives. Since this research aims to measure the relative importance of Saudi executive managers' values in the private sector, all managers in the top and middle-levels of all firms in S.A. are considered to belong to the relevant population for this research.

### **6.7.1 Type of Sample**

The technique employed in the sampling selection is also dependent on the research objectives and their requirements. There are different sampling techniques that may be classified by their representation basis and the element selection techniques (Emory, 1980; Hawkins and Tull, 1994). Representation-based selection means that the members of a sample may be selected based on probability (random-selection) or on non-probability techniques, where all members of a sample are purposely selected. The techniques and methods of probability and nonprobability samples are presented in Table 6-2.



**TABLE 6.2**  
**PROBABILITY AND NON-PROBABILITY SAMPLING DESIGNS**

<i>Sampling Design</i>	<i>Description</i>	<i>Advantage/Disadvantage</i>
<b>Probability sampling</b>		
<b>1. Simple random Sampling</b>	All elements in the Populations are considered and each element has an equal chance of being chosen as the subject.	High Generalisability offending. *Not as efficient as stratified sampling.
<b>2. systematic sampling</b>	Every nth element in the population is chosen starting from a random point in the population frame.	*Easy to use if population frame is available.  Systematic biases are possible.
<b>3. Stratified random sampling (Str. R.S)</b>  - <i>Proportionate (Str. R.S)</i>  - <i>Disproportionate (Str. R.S)</i>	Population is first divided into meaningful segments; thereafter subjects are drawn: - in proportion to their original numbers in the population  - based on criteria other than their original population number.	*Most efficient among the probability designs  - Population frame for each stratum is essential.  - Would adequately represent strata with low numbers.
<b>4. Cluster sampling</b>	Groups that have homogeneous members are first identified; then some are chosen at random; all the members in each of the randomly chosen groups are studied	In geographical clusters, cost of data collection is low. *the least reliable among all the probability sampling designs.
<b>5. Area sampling</b>	Cluster sampling within a particular area or locality.	Cost—effective. Useful for decisions regarding locations.
<b>6. Double sampling</b>	The same sample or a subset of the sample is studied twice.	Offers more detailed information on the topic of study.
<b>Non-probability Sampling</b>		
<b>7. Convenient sampling</b>	The most easily accessible members are chosen as subjects	Quick, convenient, less expensive. * Not generalisable at all.
<b>8. Judgement sampling</b>	Subjects selected on the basis of their expertise in the subject investigated.	Sometimes the only meaningful way to investigate. *Generalisability is questionable
<b>9. Quota sampling</b>	Subjects are conveniently chosen from targeted groups according to some predetermined number or quota	Very useful where minority groups' participation in a study is critical.  * Not easily generalisable

Source: Sekaran, (1992).

Selecting the elements of a random sample may be (Emory 1980; Sekaran, 1992):

- Unrestricted, which means that elements are selected individually and directly from the population viewed as a single pool;
- Restricted, which means that additional controls are placed on the Process of element selection.



The selection of one of the above methods of sampling is influenced by many factors such as the availability of the sampling frame, availability of the resources and the spread of population.

As mentioned before, representation-based method means that the elements of a sample are selected using either the probability method, where the sample is selected randomly and each element has a known non-zero chance of selection, or the non-probability method where the sample is selected purposively and each of the sample members does not have a known non-zero chance of being selected (Chisnall, 1991; Davis and Cosenza, 1993). However, it is sometimes possible that the first stage of research will use a nonprobability design, and when more information is obtained a probability design will be resorted to, just as the converse is also possible (Sekaran, 1992).

Having presented probability and non-probability sampling methods, this research uses both non-probability and probability sampling techniques. As the total population of Saudi executive managers is not available for this study, the top 1000 Saudi firms were designated to be the frame from which the sample is drawn, and since every population's element does not have a known non-zero chance of being selected (nonprobability), a number of 600 executive managers was also drawn randomly from the top 1000 firms. Thus, it was ensured that every population's element within the 1000 firms had a known non-zero chance of being selected (probability). In order to insure that the sample of Saudi executive managers would represent the population from which it was drawn, the author used the following classification of personal and organisational characteristics:

#### Classification of personal and Organisational Variable used by the author

(1) Level of manager: defined in terms of the manager's position in the organisation.

Two levels were determined:

(Level A): referred to those of highest positions in the organisation included President and Vice President.

(Level B): referred to those of middle level positions in the organisation and included Branch General manager and Head of Division.

(2) Age of manager : four categories were selected as follows:

A- (below 30): referring to those managers who are below thirty years old.

B- (30-39): referring to those managers who are between 30 and 39 years old.

C- (40- 49): referring to those managers who are between 40 and 49 years old.

D- (50 - more): referring to those managers whose age is fifty years or more.

(3) Educational level of manager: in terms of the educational level, six categories were used:

A- Below high school, B- High school, C- Some college education, D- College Degree, E- Masters degree, F- Ph.D.

(4) Experience of manager as defined in terms of the number of years he has been working. Five categories were selected:

A- Below 5 years, B- 5 - 9 years, C- 10 - 19 years, D- 20 - 29 years, E- 30 years and more.

(5) Type of firm as defined in terms of the business activity of the firm. Seven categories were determined as follows:

A- Manufacturing, B- Trading, C- Agriculture, D- Finance and Insurance activities, E- Transportation, F- Contracting, G- Services.

(6) Size of firm: the number of people it employs defines the size. Three characteristics were defined:

A- Small: if the company employs less than 100 people

B- Medium: if the company employs 100 or more but less than 2500 people

C- Large: if the company employs 2500 people or more.

### **6.7.2 Sampling Frame**

The source of elements from which a sample is actually selected is the "sampling frame". This study used the annual directory, International Information & Trading Services Co. Directory, 1996, as its sampling frame. This directory was one of the few sources, and the almost reliable available to the researcher from which information about Saudi managers could be obtained. The directory provides a list of the top 1000 Saudi Companies, and also provides useful background and data on these firms (e.g. number of employees, high level managers, financial situation, activities, addresses, telephone numbers, and a brief history).

### **6.7.3 The Sample Size**

The wider the representation of a population in a sample the more likely it is that the information obtained will be sufficient, valuable and reliable. Influenced by lack of resources available to the researcher, it was decided that a number of 600 executive managers would be used as the sample size of the study. Since information and resources concerning the study of Saudi managers is minimal, the author determined this number based on advice from and consultations with different sources (e.g. experts, colleagues, and the researcher's experience). An executive is defined as the manager at top and middle-levels in an organisation (Gray and Smeltzer, 1989). These 600 managers were selected randomly from the top 1000 companies in S.A. The reasons behind selecting managers from top organisations are as follows:

- Due to the lack of information available to the researcher about the total population of Saudi managers, research was focused on executive managers as the population used for the study. Also, the International Information & Trading Services Co. Directory (1996) seems to be a reliable frame from which to draw the sample.

- Managers are clearly a very important factor in the success or failure of any organisation, thus, studying the values they hold is believed to be necessary as these values are an important factor influencing the managers decision behaviour.
- Managers of such companies are believed to be more responsible and organised, and this will strengthen the response rate.
- Managers of top companies are often well educated and have sufficient knowledge to get reliable information and answers necessary for the discussion part of this research.

#### **6.7.4 The Sample Cost**

Decisions concerning the determination of the sample type and size are influenced by cost factors. As the researcher was confident and convinced that this sample would provide reliable information, the influence of cost factors upon decisions about this sample decreased. The researcher believed that the sample selected for this study accurately represented the research population and was appropriate to provide reliable information. Although sending 600 questionnaires to 600 companies was costly, the researcher decided not to look further for other samples.

### **6.8 DATA COLLECTION METHODOLOGY**

The final draft of the questionnaire consists of five parts; first is a letter from the researcher to the manager at the highest level of the organisation informing him that the questionnaire would have be completed by a Saudi executive manager (Appendix A). In addition to that is a request for co-operation stated in an official letter from the Council of Saudi Chambers of Commerce and Industry (Appendix B). A similar letter from the Deputy Vice President of Imam University requesting the co-operation of managers of the private sector in S.A. also accompanies the questionnaire



(Appendix C). In the second part of the questionnaire a cover letter from the researcher appears with an opening statement explaining the purpose of the study and the reason behind the selection of the interviewee (Appendix D). In the third part of the questionnaire, instructions and an explanation of the method of selection are outlined before each part of the questions. Part four is designed to collect classification information about the sample of the study. The fifth part of this questionnaire consists of questions about the six classes of values which need to be answered by the interviewee (Appendix E). The data collected through these answers will help in the statistical analysis and then in reaching the objectives of the study in general.

At this stage the questionnaire was ready for distribution and the data collection method had to be determined, taking into consideration the nature and characteristics of the sample surveyed. In this study, in view of the sample of 600 executive managers required to provide necessary data for the research, it seemed that a mailed questionnaire was the most convenient survey method available. Although mail surveys are subject to a high level of non-response, researchers can improve the response rate by careful designing the questionnaire and by effective follow-up procedures. Mail survey projects with a return of 30% or so are often considered satisfactory (Dillman, 1978). On the positive side, mail surveys are typically lower in cost than other survey methods (e.g., personal interviews, telephone, etc.), allow the respondents more time to respond, and are effective in reaching persons such as executive managers.

Consequently, the researcher decided to use mailed questionnaires mainly because of the considerable advantages this method has over other survey methods: conducting a mail survey best facilitates the collection of the required data due to the size of the sample which is as large as 600 executive managers; the sample's subjects

are distributed over different cities which are in turn several kilometres apart; reaching 600 executive managers in the top 1000 Saudi firms would be difficult using any other method, and finally, the availability of the sample frame with the updated information (e.g. addresses, type of business, telephone number, etc) is best suited to this particular method.

The questionnaires were mailed to 600 executive managers in 600 firms from the top 1000 firms in S.A. Their geographical locations are distributed throughout most major cities and provinces of Saudi Arabia. These cities and provinces are illustrated in Table 6-3.

**TABLE 6-3**  
**MAJOR CITIES AND THEIR LOCATIONS**  
**COVERED BY THE MAILED QUESTIONNAIRE**

<i>Cities</i>	<i>Province location</i>
Riyadh, Kharj Buraidah, Unaizah	Central S.A.
Dammam, Khobar, Dhahran, Hasa, Jubail	Eastern S.A.
Jeddah, Mekkah, Medina	Western S.A.
Tabuk, Arar	Northern S.A.
Najran, Jazan, Khamis Mushate, Abha	Southern S.A.

On evaluating the first questionnaires to be received back it became clear that the majority had been completed by managers at the highest level in the companies concerned (General Managers and Vice General Managers). In order to ensure the necessary diversity of levels included in the study, the remaining companies were contacted and the request was made that the questionnaires be completed other types of managers in the middle level such as those of Marketing, Sales, Finance etc.

Three weeks after the date of mailing the questionnaires, the first follow-up letter was sent requesting the co-operation of those managers who had not yet responded. (Appendix F). This letter stimulated some managers to respond but because

others still failed to complete the questionnaire, a second follow-up letter was sent two weeks later (Appendix G). On examining the final collection of questionnaires received by the researcher some still remained incomplete due to incorrect addresses, unavailability of some managers, and the time required to answer the large number of questions (63 questions) which might have discouraged some managers from participating. After all the efforts exerted by the researcher to collect as many questionnaires as possible, 234 questionnaires from most of the cities mentioned above were received. Eleven of these were rejected because some were answered incorrectly or incompletely and eight were returned unanswered. A questionnaire was considered incomplete if the subject had not answered 90 % or more of the questionnaire. Thus, 215 useful questionnaires with a response rate of 35.8% were received. The diversity of questionnaires obtained was also answered. This usable number of questionnaires (215) would provide the necessary data for statistical analysis used to measure the relative importance of the six classes of values. Statistics of the sample characteristics and data analysis and results will be presented in the next chapter.

## **6.9 VALIDITY AND RELIABILITY**

Validity and reliability have been considered two major criteria used by researchers to ensure the effectiveness of a measurement tool. Validity tests the extent to which an instrument measures the particular concept it is supposed to measure, while reliability is concerned with accuracy and consistency in measurement (Sekaran, 1992; Nunnally, 1978). Although some statisticians provide broad guidelines on these two issues, for example Orenstein and Philips (1978) who discussed ways of testing validity and reliability, and Kozlov and Ushakov (1970) who devoted a complete

handbook to reliability, there is unfortunately no definitive solution to the problem of measuring the validity and reliability of research findings (Emory, 1980).

### **6.9.1 Validity**

There are various forms of validity that could be used by researchers to ensure the quality of measurement (Sekaran, 1992), however there are three basic kinds of validity which are used: content validity, construct validity and criterion-related validity (Hawkins and Tull, 1994; Sekaran, 1992).

#### **6.9.1.1 Content Validity**

The more representative the scale items are of the domain of the aspects being measured, the greater the content validity. Content validity ensures that the measurement includes an adequate and representative set of items that would tap the concept (Sekaran, 1992).

For this study, content validity for the aspects measuring personal and managerial values of Saudi managers was established through an extensive search of the literature; personal interviews were conducted with five (5) executive managers, and eleven (11) questionnaires were completed by executive managers to ensure that aspects and items were included which represented personal and managerial values associated with business managers.

#### **6.9.1.2 Criterion-Related Validity**

This type of validity is established when the measurement differentiates individuals on criteria it is expected to predict (Sekaran, 1992). The criteria used may be subjective (does the evidence agree with what a researcher believes) as well as objective (does the evidence agree with other research findings) (Davis and Cosenza, 1993).



The results obtained by the test were satisfactory and are shown to be consistent with what the researcher believes and expected. Also these results seem consistent with other research findings, especially those related to Arab management issues which will be discussed in chapter eight. It can be concluded, then, that the test was successful and the criterion-related validity of this study is established.

#### **6.9.1.3 Construct Validity**

Construct validity testifies to how well the scale represents the concept being measured (Davis and Cosenza, 1993; Hawkins and Tull, 1994). Attitude scales and personality tests are concepts which fall into this category. Even though this validation situation is much more difficult, researchers still insist on assurances that their measurement has an acceptable degree of validity.

The survey questions are direct and the items used to measure the six value dimensions are clear enough to indicate that the construct validity is acceptable, which is especially important as the first draft of the questionnaire had already been piloted. In addition, conducting the personal interviews as a way of testing the research instrument contributed positively to the construct validity. Adapting slight modifications to Allport's measurement to suit the Saudi culture also contributed to an improvement in the construct validity.

Statistically, the major approach commonly used to evaluate construct validity is convergent validity. Convergent validity is established when the results obtained by two different measurements that purport to measure the same concept are highly associated (Sekaran, 1992; Davis and Cosenza, 1993). However, since the value questionnaire was the only means for gathering data for this research, it seems difficult to evaluate construct validity in terms of a statistical perspective.

## **6.9.2 Reliability**

The reliability of a measurement indicates the stability and consistency with which the instrument measures the concept and helps to assess the quality of a measurement (Sekaran, 1992). In other words, reliability is concerned with estimating the degree to which a measurement is free from random or unstable error (Davis and Cosenza, 1993). According to Sekaran (1992), stability and consistency are two different perspectives on reliability.

### **6.9.2.1 Stability**

The stability is known as the ability of a measure to secure consistent results with repeated measurements whilst using the same instrument. The major problem associated with this approach is that when the two tests are separated by a long period of time there is the chance that situational factors change which thereby affect the observations. Two tests of stability are test-retest reliability and parallel-form reliability (Sekaran, 1992).

### **6.9.2.2 Test-Retest Reliability**

When an instrument containing some items that are supposed to measure a concept is administered to a set of respondents now, and again to the same respondents later, then the correlation between the results obtained at the two different times from the same set of respondents is called the test-retest coefficient (Sekaran, 1992). Two difficulties are associated with this method. If the retest is given too quickly, the subject will remember his or her previous answers and then repeat them, and the test-retest process itself may introduce bias. For example, the respondent may become "test wise" or at least exhibit less anxiety in the retest. It might be that the first test sensitises the respondent to the subject, who may go on to learn more or

form new and different opinions in the intervening time before the retest. In all of these cases, the tendency is for a downward bias to be produced in the stability scores.

#### **6.9.2.3 Parallel-Form Reliability**

When results from two comparable sets of measurements tapping the same construct are highly correlated, we have parallel-form reliability (Sekaran, 1992). Researchers may test for item sample equivalence by using parallel methods administered to the same person at roughly the same time. The results of the two tests are then correlated.

Due to the above difficulties, especially those associated with the test-retest method, the stability measurement using the test-retest method was not focused upon in this study. Instead attention was focused on consistency tests. It should be noted that this decision is in line with new trends in research (Emory, 1980).

#### **6.9.2.4 Internal Consistency**

The internal consistency of a measure is indicative of the degree to which the items measuring a concept cohere as a set (Sekaran, 1992). This measurement of the scale is determined by the following methods:

#### **6.9.2.5 Split-Half Reliability**

Split-half reliability reflects the correlation between two halves of an instrument. This technique can be used when the measuring tool has a number of similar questions or statements to which the subject can respond (Emory, 1980). However, estimates provided by this technique would vary depending on how the items in the measure are split into two halves (Sekaran, 1992).

The items measuring each value in the personal value questions (part 1, 2) in the instrument were divided into two subscales. The subscales were then composed

and ordered so that there would be almost the same number of pairings between the six values (Allport, 1970) (see following chapter). The resulting correlation coefficients between items of each value are encouraging and proved the reliability of the modified questionnaire.

#### **6.9.2.6 Interim Consistency Reliability**

This is a test of the consistency of respondents' answers to all items in a measurement. Items that are independent measurements of the same concept will be correlated with one another (Sekaran, 1992).

The item analysis test has shown that each value in both types of questions (personal value and managerial value questions) is positively correlated with the total score derived from all items measuring the same value. For example, each theoretical item is positively correlated with the total score derived from all the theoretical items (see following chapter).

In addition to the above validity and reliability tests, the completed questionnaires were checked on receipt for correct completion. This process of editing and checking was conducted to ensure maximum reliability and validity of the data gathered.

### **6.10 LIMITATIONS AND PROBLEMS**

Although the overall limitations of this work will be discussed at the end of this study, it is advisable here to note those problems arising from the methodology itself. Although remarkable efforts were exerted by different parties involved in the project to produce the optimum result, there were unavoidable limitations imposed on the scope of the study by several factors.



Firstly, the sample size (600 managers) was not arrived at by applying a statistical technique but was determined by the limited resources available to the researcher. the sample is nevertheless believed to large enough to be representative of the total population.

Secondly, gender did not play a role in the composition of the executive managers' sample because all the questionnaires were sent to men. Women were excluded from the sample, due to the religious and cultural reasons, which were discussed earlier in this thesis.

Thirdly, the sample only includes executive managers from high and middle levels, which is due to lack of information regarding the total population of Saudi managers, and availability of a reliable source from which accurate information could be obtained.

**CHAPTER SEVEN**  
**ANALYSIS AND RESULTS**

## **CHAPTER SEVEN**

### **ANALYSIS AND RESULTS**

#### **7.1 INTRODUCTION**

In this chapter the data collected from the sample of Saudi executive managers will be analysed. This chapter consists of four sections. In the first section, the response rate, sample representativeness, non-response bias, instrument reliability and sample characteristics will be discussed. The main aim of this section is to ensure the effectiveness of the survey used in the study, and to ensure the validity and reliability of the test. In the second section, the primary value orientations will be identified individually for Saudi executives based on their personal and organisational characteristics along with the primary value profiles of Saudi executives as a group. The third section will investigate the relationship between the personal and organisational variables and personal and managerial values of Saudi managers. The analysis of the data in line with the research objectives and questions will be discussed in the fourth part of this chapter.

#### **7.2 THE RESPONSE RATE**

As mentioned in the previous chapter, this study used non-probability and probability random sampling technique. Six demographic and organisational variables were used (manager's position, age of manager, levels of education, years of experience, type of business activity, and size of firm) to ensure a representative sample. A total of 600 questionnaires were mailed and a total of 234 questionnaires were received back. Due to incomplete questionnaires, wrong answers and returned questionnaires, a total of 19 questionnaires were excluded from the study leaving a

total of 215 usable and complete questionnaires. Hence, the response rate based upon the proportion of the completed and usable questionnaires to the total questionnaires distributed was 35.8%. For analysing data, the researcher used the SPSS program (Statistical Package for Social Sciences) primarily because of its accuracy in calculating a variety of statistical tests. The SPSS is also one of the most widely used statistical programs for analysing data in the area of social sciences. In addition, the analysis will be based mainly on **parametric tests**<sup>1</sup> (procedures) since the normality test was satisfied and the data are randomly drawn from a population that is normally distributed. Parametric procedures have several distinctive characteristics among of which are (Berenson and Levine, 1992): first, they imply that the level of measurement attained on collected data be in the form of interval scale or ratio scale. Second, they involve hypothesis testing of specified parameters such as  $\mu_x = 30$  or  $\beta_1 = 0$  or  $p=0$ .

### 7.3 TESTING FOR SAMPLE REPRESENTATIVENESS

To help assess the representativeness of the sample, the completed questionnaires were checked and tested in terms of the field of industry represented. The main objective of this test was to ensure that the responses received did not exhibit any industry group bias in representing the industrial fields included in the original sample of 600 companies. The test was based on the extent of similarity between the distributions' percentage across the original sample and the actual responses.

The statistical results show that the percentage distributions of the actual industrial groups are close enough to those included in the original sample. As a result, the actual sample does not show any industry group bias.



Chi-square tests ( $X^2$ )<sup>2</sup> were used to analyse group differences on the sample characteristic of type of business activity. To make the  $X^2$  test accurate, the number in each cell had to be large enough in relation to the d.f. (Emory, 1980). The resulting Chi-square was 6.268 with seven degrees of freedom. The degree of freedom (d.f) is a value associated with a test statistic that is used in determining the observed significance level (Nurosis, 1997). As a result, no significant differences were found at the .05 level suggesting that no response bias was present in the sample on the characteristic tested. Hence, the null-hypothesis that the two distributions were similar could not be rejected. Table 7.1 presents the statistical results of the Chi-square tests comparing data from 215 responses with those of the original sample.

**TABLE 7.1**  
**TEST STATISTICS FOR SAMPLE REPRESENTATIVES**  
**BASED ON DATA FROM 215 COMPANIES**

<i>Statistical Measures</i>	<i>Results</i>
chi-square	6.268
d.f	7
Asymp. Sig.	.509

- 
- 1) **Parametric and Nonparametric Tests** are two types of statistical test procedures, each of which is applicable under certain circumstances (Berenson and Levine, 1992):
- **Parametric Procedures**: or classical methods of hypothesis testing are applicable under these assumptions:
    - a) The sample data are randomly drawn from a population that is normally distributed.
    - b) The observations are independent of each other.
    - c) For situations concerning central tendency for which two or more samples have been drawn, that they be drawn from normal populations having equal variances.
  - **Nonparametric Procedures**: are appropriate when parametric tests are not applicable and may be broadly defined as either those:
    - a) whose tests do not depend upon the form of the underlying population distribution from which the sample data were drawn,
    - b) those that are not concerned with the parameters of a population, or
    - c) for which the data are insufficient strength to warrant meaningful arithmetic operations.

## 7.4 TEST OF NON-RESPONSE BIAS

It was mentioned in the previous chapter that two follow-up letters were sent to stimulate the subject managers to respond. 147 questionnaires were received by the end of the third week, which was the date of the first follow-up letter. A total of 68 responses were received after the second mailing. To test for non-response bias, completed questionnaires were divided into two groups (early and late responses) based on the date of return postage (Armstrong and Overton, 1977). The end of the third week was used as the date upon which the completed questionnaires were divided.

To assess whether the two groups are different from each other on a particular variable of interest, the t Test should be used <sup>3</sup> (Sekaran, 1992). Table 7.2 provides a comparison between the early and late responses to three selected questions measuring the six values (one question from each part of the questionnaire) to test non-response bias. These responses are clarified as follows: Theoretical: question 1 (alternative a), part one; Economic and Aesthetic: question 2 (alternatives b, c), part two; Social, Political, and Religious: question 1 (alternatives a, b, c), part three.

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2) **The chi-square test** is a commonly used nonparametric test of significance. The main objective of this test is to test for significant differences between the observed distribution of data among categories ( $O_i$ ) and the expected distribution ( $E_i$ ) based upon the null hypothesis. The  $X^2$  statistic is obtained by the following formula (Sekaran, 1992):

$$X^2 = \sum (O_i - E_i)^2 / E_i$$
 . The greater the difference between the observed and expected distributions, the less probability that these differences can be due to chance (Sekaran, 1992; Zikmund, 1989).

3) **The T Test** is one type of the parametric statistical procedures used to test a hypothesis concerning the population's mean because the parametric procedures require interval or ratio scaled data and the mean is the appropriate measure of central tendency for such types of data (Zikmund, 1989). The t Test takes into consideration the means and standard deviations of the two groups to examine if the numerical difference in the means is significantly different from 0 (zero) (Sekaran, 1992). If the observed 2-tailed significance level is 5% or less, then the null hypothesis that the two groups are similar is rejected. To describe the t Test in words, the following formula is used:

$$t = (\text{mean of group 1} - \text{mean of group 2}) / \text{standard error of difference}$$
 (Norusis, 1997).



The logic behind this test was to assess the non-response bias between the early and late responses in relation to the three questions. As Table 7.2 indicates, no significant differences were found between the early and late responses (at the .05 level, 2-tailed) <sup>4</sup>. Thus, the null-hypothesis that there is no difference between the early responses (responses received before the follow-up letters) and the late responses (responses received after the follow-up letters) could not be rejected.

**TABLE 7.2**  
**TEST OF NON-RESPONSE BIAS**  
**BETWEEN EARLY AND LATE RESPONSES**  
**(GROUP STATISTICS)**

<i>Value</i>	<i>Early n=147</i>	<i>Late n=68</i>	<i>t</i>	<i>Sig. 2-tailed</i>
Theoretical	1.3197	1.4265	-.7900	.4300
Economic	2.2925	2.1176	1.5290	.1280
Aesthetic	2.1156	2.3676	-.2170	.8280
Social	1.6939	1.7500	-.4860	.6270
Political	2.2313	2.2368	-.7780	.4370
Religious	2.0136	2.1324	-1.014	.3120

## 7.5 VALIDITY AND RELIABILITY

It was mentioned in the last chapter that the 'Study of Values' instrument has been used in various settings and has been shown to be a reliable and valid measure of individual values. Several measures were performed to ensure the validity and reliability of the instrument. First, the instrument was modified to be applicable to the Saudi business environment. This modification followed an extensive search of the relevant literature and was also pilot tested in order to further refine it. In addition to this, personal interviews conducted with five executives, and eleven questionnaires completed by executives were used to ensure that the aspects and items included were

representative in measuring both the personal and the managerial values of business managers.

With respect to the reliability of the questionnaire, the 'Study of Values' instrument has been used in a variety of settings and has achieved a considerable degree of reliability, providing valid evidence in measuring individual values (Allport, 1970; Pyne, 1988). A split-half reliability test was conducted for both the personal values measure and the managerial values measure. The reliability test of the second measure (managerial values instrument) will be conducted later in this chapter. The Split-half is the correlation coefficient between one half of the items measuring a concept and the other half of the items measuring the same concept (Sekaran, 1992). The measure is considered reliable when the reliability coefficient (e.g. Split-half, Alpha etc.) is greater than .60 (Sekaran, 1992). The reliability of the first measure was established and the test has been found to be a reliable measure of individual personal values. The test was conducted on a sample of 110 randomly selected responses, with the items measuring each value divided into two subscales. The scores of both subscales were standardised using Z transformation. Z scores show how many standard deviation units above or below the mean a value falls. The resulting correlation coefficients between items of each of the six values are presented in Table 7.3:

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4) **P value** is the probability that a statistical result as extreme as the one observed would occur if the null hypothesis were true (Sekaran, 1992). A significance of  $p \leq .05$  is the generally accepted conventional level in social sciences research.



**TABLE 7.3**  
**THE SPLIT-HALF RELIABILITY TEST\***  
**FOR THE SIX VALUES**  
**(N = 110)**

<i>Values</i>	<i>Split-half</i>	<i>Correlations(rs)</i>
<b>Theoretical</b>	.66	.53
<b>Economic</b>	.76	.67
<b>Aesthetic</b>	.72	.59
<b>Social</b>	.68	.57
<b>Political</b>	.64	.51
<b>Religious</b>	.74	.62

\*Split-half reliability test is widely used a statistical technique to test the internal consistency of answers given by the respondents to ascertain to what extent the items are representing the variable being measured.

## 7.6 SAMPLE DESCRIPTIVE STATISTICS OF SAUDI EXECUTIVES

The data for the study were obtained by means of a self-administered questionnaire mailed to a sample of 600 randomly selected Saudi business executives. Table 7.4 is a summary of the characteristics of the sample. As the Table shows, the sample included executives from varied personal and organisational backgrounds. Regarding personal characteristics, the data indicate that one third of the sample subjects are classified as top managers (33.5%) where 66.5% of the subjects occupy leading positions in the middle level of the managerial hierarchy in their organisations.

Analysis of the respondents also indicates that most responses were received from presidents of corporations (20.3%), whereas the fewest responses were received from research and development managers (3 responses) (1.4%). This type of manager was classified and analysed under "others", along with other types of executive managers in the sample (2.8%). The low number of responses received from research

and development managers could reflect the low degree of commitment to research and development programmes by business firms in S.A. The remaining number is distributed among vice presidents (13.2%), administrative managers (11.8%), personnel managers (11.8%), financial managers (10.8%), marketing managers (7.5%), production managers (6.1%), sales managers (9.0%), and purchasing managers (6.6%), while 1.4% of the total number of responses were received from executive managers whose specialisations are unknown.

The average age of the Saudi executive manager who responded is 41.2, with most of the managers falling into the 30 - 49 age range (76.0%). The relatively lower average age of Saudi executive managers is a result of the increasing tendency within the private sector to employ young managers with new ideas and skills. Such managers are usually extracted from the academic environment because they are expected to be very well educated and qualified individuals.

Concerning the managers' educational level, the majority possessed at least a Bachelor's degree (77.2%). This percentage reflects the current educational policy in S.A of encouraging students by offering free education at the vast numbers of educational institutions distributed throughout the Kingdom, as well as a monthly salary paid to students attending universities and higher and professional institutes. This number of educated managers is expected to increase as educational promotions by the government continue, and Saudi people's interests grow in achieving higher education qualifications themselves.

Analysis of the respondents' experience showed that the average years of experience were 16.2. More than three-quarters of the respondents have been in management for at least ten years 76.8% (28.9% of whom have 20 years and more

managerial experience). The remaining number (22.2%) had less than ten years managerial experience.

**TABLE 7.4**  
**DESCRIPTIVE STATISTICS**  
**(N = 215)**

<i>Variable</i>	<i>Frequency</i>	<i>Percent %</i>	<i>Valid Percent %</i>	<i>Cumulative Percent %</i>
<b>Job of Manager</b>				
Presidents	43	20.0	20.3	20.3
Vice president	28	13.0	13.2	33.5
Administrative.	25	11.6	11.8	45.3
Personnel manager	25	11.6	11.8	57.1
Finance manager	23	10.7	10.8	67.9
Marketing manager	16	7.4	7.5	75.4
Production manager	13	6.0	6.1	81.6
Sales manager	19	8.8	9.0	90.6
Purchasing manager	14	6.5	6.6	97.2
Others	6	2.8	2.8	100.0
Missing	3	1.4	100.0	
		100.0		
<b>Age of Manager</b>				
19 - 29 years	14	6.5	6.6	6.6
30 - 39 years	81	37.7	38.0	44.6
40 - 49 years	81	37.7	38.0	82.6
50 years plus	37	17.2	17.4	100.0
Missing	2	.9	100.0	
		100.0		
<b>Educational Level</b>				
Below high school	5	2.3	2.3	2.3
High school	21	9.8	9.8	12.1
Some college	23	10.7	10.7	22.8
College degree	126	58.6	58.6	81.4
Master degree	33	15.3	15.3	96.7
PhD	7	3.3	3.3	100.0
		100.0	100.0	
<b>Years of Experience</b>				
Below 5 years	10	4.7	4.7	4.7
5 - 9 years	37	17.2	17.5	22.2
10 - 19 years	103	47.9	48.6	70.8
20 - 29 years	47	21.9	22.2	92.9
30 years or more	15	7.0	7.1	100.0
Missing	3	1.4	100.0	
		100.0		



**TABLE 7.4**  
**(CONTINUED)**

<i>Variable</i>	<i>Frequency</i>	<i>Percent %</i>	<i>Valid Percent %</i>	<i>Cumulative Percent %</i>
<b>Type of Business</b>				
Manufacturing	63	29.3	29.3	29.3
Trade	34	15.8	15.8	45.1
Agriculture	19	8.8	8.8	54.0
Finance & Insurance	13	6.0	6.0	60.0
Transportation	13	6.0	6.0	66.0
Construction	17	7.9	7.9	74.0
Services	25	11.6	11.6	85.6
Diversified	31	14.4	14.4	100.0
		100.0	100.0	
<b>Size of Firm</b>				
Less than 100 people	20	9.3	9.6	9.6
100 - 999 people	108	50.2	51.7	61.2
100 - 2499 people	62	28.8	29.7	90.9
2500 or more	19	8.8	9.1	100.0
Missing	6	2.8	100.0	
		100.0		

Regarding organisational characteristics, the respondents spanned a wide range of industries and organizational ranks. Manufacturing firms seem to be the most widely represented by the sample subjects, at 29.3%. Trade companies come second with 15.8%, and the number of diversified firms (those involved in more than one type of business activity) third with 14.4%. The remaining number (40.3%) is distributed over service companies (11.6%), agricultural firms (8.8%), construction (7.9%), transportation (6.0%), and finance and insurance companies (6.0%).

Medium-size organisations are the most widely represented by the sample subjects (81.4%) (100 - 2499 employees). Large corporations (2500 and more employees) were represented by 9.1% of the respondents, while managers of small firms (less than 100 employees) have 9.6% of the total responses. The size of the company was considered confidential by 2.8% of the respondents.



As shown in the above discussion, the diversity in the sample of the Saudi managers in terms of personal and organizational characteristics was answered, and the representation of the sample's population has been met.

## 7.7 TESTING OF RESEARCH QUESTIONS:

This section will analytically investigate the research questions which were established in the introductory chapter of this study. In addition, these questions will be tested using as appropriate statistical methods as possible in order to reach the best answers and findings to those questions in statistical terms. With respect to the first research question, this question was worded as follows:

### 7.7.1. What are the primary responses of the different groups of Saudi executives to the six values in both their personal and managerial lives?

This question was tested using **descriptive statistics**<sup>5</sup> (means and standard deviations). The means and standard deviations of value scores by position, age, educational level, years of experience, type of business activity, and size of firm were obtained and presented in Tables 7.5 - 7.11 respectively.

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**5) Descriptive Statistics:** are statistics such as frequencies and the mean and standard deviation, which describe the data gathered (Sekaran, 1992).

**Mean:** is a measure of central tendency. The arithmetic mean is obtained by the sum divided by the number of cases. This is expressed by the equation:  $\bar{X} = \frac{\sum X_i}{N}$

**Standard Deviation:** is the most commonly used measure of variability in statistics. It is used as the indicator of variability when the mean is the measure of central tendency. This measure is expressed

by the equation:  $S = \sqrt{\frac{\sum (X_i - \bar{X})^2}{N}}$ .

**TABLE 7.5**  
**SUMMARY STATISTICS**  
**MEANS AND STANDARD DEVIATIONS OF VALUE SCORES BY POSITION**  
**(TOP MANAGERS)**  
**(N = 71)**

<i>Manager's position</i>	<i>Measure</i>	<i>Personal Value Profiles</i>						<i>Managerial Value Profiles</i>					
		(1) <i>Rlg.</i>	(2) <i>Eco.</i>	(3) <i>The.</i>	(4) <i>Soc.</i>	(5) <i>Pol.</i>	(6) <i>Aes.</i>	(1) <i>Eco.</i>	(2) <i>Soc.</i>	(3) <i>The.</i>	(4) <i>Pol.</i>	(5) <i>Rlg.</i>	(6) <i>Aes.</i>
Presidents N = 43	Mean	47.6	45.8	40.7	40.6	39.1	26.3	19.6	19.4	18.7	18.1	18.3	18.3
	S.D.	7.56	4.95	5.20	4.83	4.86	4.87	1.72	2.04	2.31	2.15	3.63	3.63
Vice Presidents N = 28	Mean	46.5	48.4	41.1	38.7	38.2	27.0	19.6	19.5	18.4	18.6	17.4	17.4
	S.D.	5.90	4.69	4.90	3.73	4.95	6.91	2.09	2.38	1.71	1.89	3.57	3.57
Total N = 71	Mean	47.2	46.8	40.9	39.9	38.7	26.6	19.6	19.4	18.6	18.3	17.9	14.2
	S.D.	6.93	4.98	5.06	4.49	4.88	5.73	1.86	2.16	2.08	2.06	3.61	2.44

- This and the following six tables represent the primary responses of the different groups of Saudi managers to the six values in both their Personal and Managerial lives.



**TABLE 7.6**  
**SUMMARY STATISTICS**  
**MEANS AND STANDARD DEVIATIONS OF VALUE SCORES BY POSITION**  
**(MIDDLE LEVEL MANAGERS)**  
**(N = 141)**

<i>Manager's position</i>	<i>Measure</i>	<i>Personal Value Profiles</i>						<i>Managerial Value Profiles</i>					
		(1) <i>Eco.</i>	(2) <i>Rlg.</i>	(3) <i>Soc.</i>	(4) <i>The.</i>	(5) <i>Pol.</i>	(6) <i>Aes.</i>	(1) <i>Eco.</i>	(2) <i>Soc.</i>	(3) <i>Rlg.</i>	(4) <i>Pol.</i>	(5) <i>The.</i>	(6) <i>Aes.</i>
Administrative M N = 25	Mean	47.8	48.2	39.9	40.3	39.2	24.6	21.1	18.9	17.5	18.0	18.3	14.1
	S.D	4.28	7.8	3.19	4.46	5.37	6.06	2.04	2.26	3.45	2.69	1.91	1.98
Personnel M N = 25	Mean	48.7	45.6	43.4	37.8	35.8	28.9	20.8	19.6	17.0	18.3	17.7	14.6
	S.D	5.07	5.92	6.70	4.44	5.69	4.29	2.49	2.69	2.85	1.77	2.27	1.69
Finance M N = 23	Mean	51.1	44.8	38.0	43.6	36.0	26.5	21.7	18.0	17.9	17.9	18.7	13.8
	S.D	3.84	6.49	5.15	6.02	6.13	4.79	2.53	1.72	3.25	2.20	3.19	1.77
Marketing M N = 16	Mean	51.9	47.8	37.2	38.9	36.1	28.1	22.3	18.0	18.1	17.7	16.9	15.1
	S.D	5.93	6.33	5.10	6.53	5.60	4.39	3.00	2.42	2.86	2.21	2.26	2.08
Production M N = 13	Mean	52.6	53.2	37.5	40.0	32.1	24.5	21.1	18.2	19.2	17.5	16.5	15.5
	S.D	5.92	4.85	5.17	4.14	5.20	2.76	1.98	2.08	1.72	1.61	1.51	1.90
Sales M N = 19	Mean	49.9	48.4	41.5	39.1	34.8	26.3	21.2	18.9	19.8	17.1	16.8	14.2
	S.D	4.96	3.13	4.25	5.26	3.17	3.40	2.49	1.93	3.03	2.04	3.35	2.03
Purchase M N = 14	Mean	49.9	47.1	42.6	36.9	35.8	27.8	22.0	18.8	20.5	16.5	15.8	14.4
	S.D	3.80	4.22	3.78	4.83	3.21	3.14	3.06	1.42	2.10	1.56	1.42	1.74
Others N = 6	Mean	50.3	51.0	39.2	38.7	36.0	24.8	20.8	18.7	17.8	17.3	18.3	15.0
	S.D	2.42	4.05	4.62	5.01	2.61	6.21	1.17	2.07	2.23	1.51	1.93	1.67
Total N = 141	Mean	50.0	47.6	40.1	39.6	35.9	26.6	21.4	18.7	18.3	17.7	17.5	14.4
	S.D	4.88	6.06	5.31	5.42	5.30	4.70	2.46	2.17	3.05	2.10	2.53	1.90



**TABLE 7.7**  
**MEANS AND STANDARD DEVIATIONS OF VALUE SCORES BY AGE**  
**(N = 213)**

<i>Manager's Age</i>	<i>Measure</i>	<i>Personal Value Profiles</i>						<i>Managerial Value Profiles</i>					
		(1) <i>Eco.</i>	(2) <i>Rlg.</i>	(3) <i>Soc.</i>	(4) <i>The.</i>	(5) <i>Pol</i>	(6) <i>Aes.</i>	(1) <i>Eco.</i>	(2) <i>Soc.</i>	(3) <i>Rlg.</i>	(4) <i>Pol.</i>	(5) <i>The.</i>	(6) <i>Aes.</i>
19-29 years N = 14	Mean	53.0	48.1	38.9	38.9	35.9	25.1	21.1	18.0	19.0	18.6	17.1	14.1
	S.D.	4.08	5.74	5.40	4.58	4.45	3.47	3.03	1.41	1.71	2.10	1.33	1.70
30-39 years N = 81	Mean	49.2	46.6	39.5	39.8	37.7	27.3	20.9	19.0	17.6	18.3	17.9	14.4
	S.D.	4.94	6.06	5.25	5.27	5.15	5.98	2.53	2.22	3.23	1.90	2.50	2.19
40-49 years N = 81	Mean	48.2	47.8	40.4	40.4	37.3	26.0	20.8	19.0	18.1	17.8	18.2	14.2
	S.D.	5.26	7.00	4.96	5.13	5.71	4.23	2.20	2.26	3.49	2.09	2.35	2.02
50 and more N = 37	Mean	48.3	48.7	41.3	39.5	34.8	27.8	20.5	19.1	19.4	16.8	17.4	14.7
	S.D.	4.93	5.39	4.36	6.35	4.49	4.56	2.46	2.12	3.22	2.18	2.79	2.29
<b>Total</b> <b>N = 213</b>	Mean	48.9	47.5	40.1	39.9	36.9	26.6	20.8	18.9	18.2	17.9	17.8	14.3
	S.D.	5.12	6.32	5.02	5.36	5.30	5.01	2.42	2.18	3.31	2.10	2.45	2.11



**TABLE 7.8**  
**MEANS AND STANDARD DEVIATIONS OF VALUE SCORES BY EDUCATION**  
**(N = 215)**

<i>Level of Education</i>	<i>Measure</i>	<i>Personal Value Profiles</i>						<i>Managerial Value Profiles</i>					
		(1) <i>Eco.</i>	(2) <i>Rlg.</i>	(3) <i>Soc.</i>	(4) <i>The.</i>	(5) <i>Pol.</i>	(6) <i>Aes.</i>	(1) <i>Eco.</i>	(2) <i>Soc.</i>	(3) <i>Rlg.</i>	(4) <i>Pol.</i>	(5) <i>The.</i>	(6) <i>Aes.</i>
Below high school N = 5	Mean	47.8	48.6	43.2	35.2	35.6	29.6	20.2	18.8	18.6	17.2	17.4	15.8
	S.D.	4.55	9.07	5.12	4.15	8.05	6.47	3.96	2.28	4.28	2.05	2.51	3.27
High school N = 21	Mean	49.4	51.0	42.0	37.7	34.5	25.4	21.2	18.2	19.7	16.9	17.0	14.7
	S.D.	4.49	4.30	5.25	4.40	4.49	4.32	2.09	1.17	3.64	1.87	2.33	2.22
Some college N = 23	Mean	48.7	50.6	40.3	39.0	35.5	25.5	21.3	18.7	19.7	17.3	16.3	14.6
	S.D.	4.54	5.38	4.24	5.31	4.02	4.77	2.38	2.55	3.33	1.99	2.06	2.13
College degree N = 126	Mean	49.0	46.5	39.6	40.5	37.3	27.1	20.6	19.0	17.8	18.1	18.1	14.3
	S.D.	5.31	6.29	4.94	5.52	5.34	5.22	2.39	2.08	3.06	2.17	2.46	2.03
Masters degree N = 23	Mean	49.3	46.3	39.8	40.8	38.1	25.8	20.7	19.4	17.2	18.2	18.2	14.3
	S.D.	4.95	6.23	5.60	4.56	5.03	4.64	2.67	2.38	3.32	2.08	2.18	2.08
PhD N = 7	Mean	45.0	49.4	40.6	40.1	38.1	26.7	20.8	18.0	19.9	17.6	19.3	12.4
	S.D.	5.66	6.75	4.54	6.96	7.47	4.82	1.46	2.83	2.79	.976	2.69	1.81
Total N = 215	Mean	48.9	47.5	40.1	40.0	36.9	26.6	20.8	18.9	18.2	17.9	17.9	14.4
	S.D.	5.10	6.31	5.02	5.35	5.29	5.04	2.41	2.18	3.29	2.10	2.45	2.11

**TABLE 7.9**  
**MEANS AND STANDARD DEVIATIONS OF VALUE SCORES**  
**BY YEARS OF EXPERIENCE**  
**(N = 212)**

<i>Years of Experience</i>	<i>Measure</i>	<i>Personal Value Profiles</i>						<i>Managerial Value Profiles</i>					
		(1) <i>Eco.</i>	(2) <i>Rlg.</i>	(3) <i>Soc.</i>	(4) <i>The.</i>	(5) <i>Pol.</i>	(6) <i>Aes.</i>	(1) <i>Eco.</i>	(2) <i>Soc.</i>	(3) <i>Rlg.</i>	(4) <i>Pol.</i>	(5) <i>The.</i>	(6) <i>Aes.</i>
Less than 5 years N = 10	Mean	51.4	46.4	39.3	37.8	36.9	28.2	20.5	18.6	17.2	18.7	17.8	15.2
	S.D.	5.76	7.38	6.88	6.05	5.84	6.07	2.76	1.78	2.70	2.12	2.04	1.40
5-9 years N = 37	Mean	49.9	46.5	38.7	40.8	37.5	26.6	21.7	18.5	17.3	18.1	17.6	14.3
	S.D.	4.64	5.65	4.84	5.28	5.81	4.50	2.36	2.51	2.83	2.20	2.23	1.90
10-19 years N = 103	Mean	49.1	48.1	49.7	39.5	37.2	26.4	20.6	18.9	18.3	18.2	17.9	14.1
	S.D.	5.32	6.23	4.88	4.77	5.24	5.28	2.50	2.16	3.30	1.85	2.47	2.13
20-29 years N = 47	Mean	47.1	47.0	42.0	40.7	36.6	26.6	20.7	19.6	18.1	17.0	18.1	14.5
	S.D.	4.63	6.40	4.48	6.00	5.28	4.97	2.34	1.96	3.48	2.10	2.64	2.04
30 and more N = 18	Mean	49.1	47.5	40.4	40.8	34.7	27.5	20.6	18.3	18.9	17.5	17.7	15.1
	S.D.	4.85	7.99	5.64	6.52	4.39	4.14	1.80	2.19	3.88	2.88	2.79	2.94
Total N = 212	Mean	48.9	47.5	40.0	40.0	36.9	26.7	20.8	18.9	18.1	17.9	17.9	14.4
	S.D.	5.12	6.34	5.02	5.34	5.32	5.02	2.43	2.19	3.27	2.11	2.46	2.11



**TABLE 7.10**  
**MEANS AND STANDARD DEVIATIONS OF VALUE SCORES**  
**BY TYPE OF BUSINESS**  
**(N = 215)**

<i>Type of Business</i>	<i>Measure</i>	<i>Personal Value Profiles</i>						<i>Managerial Value Profiles</i>					
		(1) <i>Eco.</i>	(2) <i>Rlg.</i>	(3) <i>Soc.</i>	(4) <i>The.</i>	(5) <i>Pol.</i>	(6) <i>Aes.</i>	(1) <i>Eco.</i>	(2) <i>Soc.</i>	(3) <i>Rlg.</i>	(4) <i>Pol.</i>	(5) <i>The.</i>	(6) <i>Aes.</i>
Manufacture N = 63	Mean	48.4	46.2	39.4	41.4	38.1	26.6	20.3	19.0	17.3	18.3	18.7	14.4
	S.D	5.28	6.72	4.56	5.17	5.43	5.41	2.24	2.07	2.80	2.34	2.39	1.92
Trade N = 21	Mean	48.2	47.5	40.6	40.4	36.2	27.2	20.3	18.8	18.4	17.7	17.9	14.8
	S.D	5.12	6.64	5.55	4.94	6.18	4.79	2.33	2.22	3.50	2.16	2.60	2.46
Agriculture N = 19	Mean	49.1	49.2	40.3	40.1	34.8	26.5	22.2	18.3	19.8	17.1	16.9	13.8
	S.D	3.95	6.45	5.03	6.54	4.94	5.48	2.14	2.08	2.34	1.56	2.90	2.82
Finance & Insurance N = 13	Mean	50.9	48.0	37.8	42.7	35.5	25.2	21.8	18.3	18.2	18.2	17.3	14.1
	S.D	4.59	5.79	5.59	5.99	3.95	3.89	2.73	1.93	3.69	1.79	3.28	1.26
Transport N = 13	Mean	48.3	52.2	41.6	36.6	35.4	25.9	21.1	18.6	19.6	17.2	17.1	14.5
	S.D	5.44	3.39	3.78	5.56	6.24	4.65	1.75	2.81	3.07	1.95	1.44	2.18
Construction N = 17	Mean	50.2	48.1	41.5	38.2	35.0	26.9	22.4	19.2	18.8	16.9	16.5	14.3
	S.D	5.31	4.09	4.23	3.91	4.51	6.02	2.29	2.13	3.57	1.69	2.12	2.14
Services N = 25	Mean	50.4	45.8	41.2	38.5	36.9	27.3	20.6	19.6	17.9	17.8	17.7	14.5
	S.D	6.48	5.22	6.68	5.53	5.02	4.29	2.86	2.31	3.49	1.96	1.89	2.02
Diversified N = 31	Mean	48.2	48.1	39.4	38.9	38.9	26.4	20.2	19.0	18.1	18.4	18.3	14.1
	S.D	3.84	7.12	4.10	4.50	3.85	5.18	2.16	2.18	3.73	2.04	2.08	1.97
Total N = 215	Mean	48.9	47.5	40.1	40.0	36.9	26.6	20.8	18.9	18.2	17.9	17.9	14.4
	S.D	5.10	6.31	5.02	5.35	5.29	5.04	2.41	2.18	3.29	2.10	2.45	2.11



**TABLE 7.11**  
**MEANS AND STANDARD DEVIATIONS OF VALUE SCORES**  
**BY SIZE OF COMPANY**  
**(N = 209)**

Size of Firm	Measure	Personal Value Profiles						Managerial Value Profiles					
		(1) Eco.	(2) Rlg.	(3) Soc.	(4) The.	(5) Pol.	(6) Acs.	(1) Eco.	(2) Soc.	(3) Rlg.	(4) Pol.	(5) The.	(6) Acs.
Less 100 employees N = 20	Mean	48.3	47.1	40.1	41.8	36.9	26.1	19.5	19.3	18.0	17.8	18.8	14.5
	S.D.	4.47	6.94	5.08	4.63	5.43	4.37	1.82	1.59	3.44	2.26	2.34	1.61
100-999 employees N = 108	Mean	48.1	47.7	40.4	39.5	37.7	26.6	20.8	19.0	18.3	18.2	17.8	13.9
	S.D.	5.41	6.46	4.87	5.06	5.74	5.11	2.30	2.25	3.18	2.12	2.36	2.02
1000-2499 employees N = 62	Mean	50.3	47.2	39.9	40.2	35.5	26.8	21.0	18.9	18.1	17.3	17.8	14.9
	S.D.	5.01	5.66	5.43	6.11	4.69	5.18	2.66	2.09	3.12	2.12	2.75	2.11
2500 and more N = 19	Mean	49.3	47.0	39.2	40.5	37.9	26.1	20.8	18.6	18.6	17.7	17.3	14.9
	S.D.	3.98	7.73	5.14	5.15	3.77	5.38	2.70	2.83	4.32	1.63	2.03	2.57
Total N = 209	Mean	48.9	47.4	40.1	40.0	37.0	26.6	20.8	19.0	18.2	17.9	17.9	14.3
	S.D.	5.16	6.36	5.06	5.37	5.32	5.07	2.43	2.20	3.28	2.11	2.46	2.10



As the Tables show, the means and standard deviations of value scores in both personal and managerial lives were obtained. The subjects' primary responses towards each of the personal and managerial values will be highlighted in the following subsections.

#### **7.7.1.1 Personal Values:**

**1- The Economic Value (ECP):** is valued the highest within most of the sample groups except among Presidents, Administrative Managers, Production Managers and those under the 'others' category. These managers were slightly less oriented towards the Economic values and scored second. They are characterised as being fifty years old or more, those who received some college education or below, and those with PhD degrees in transportation firms.

**2- The Religious Value (RGP):** is ranked second highest, except among Presidents, Administrative Managers, Production Managers and those under the 'others' category where it ranks the highest. These subjects are characterised as being fifty years old or more, with some college education or below, and those with PhD degrees in transportation companies.

**3- The Social Value (SOP):** ranked third in preference by the sample subjects, except among Presidents, Vice Presidents, Finance Managers, Marketing Managers and Production Managers where it was fourth. These managers are characterised as being thirty nine or below, well educated (e.g. college and masters degrees), and in management from five to nine years. These subjects included those who had been in management for thirty years or more, in all sizes of manufacturing and financial companies.

**4- The Theoretical Value (THP):** the subjects scored the Theoretical value as fourth most important, except for Vice Presidents, Finance Managers, Marketing Managers and Production managers. These managers were reported to be more oriented towards the Theoretical values and scored this as their third preference. These managers were aged from 30 to 39 years, were well educated, had been in management for five to nine years and were similar to those who had been in management for thirty years or more. They worked for small, medium and large manufacturing and financial firms.

**5- The Political Value (PLP):** ranks fifth, except by the least educated managers. These managers were characterised as those who had no secondary school education. Other characteristics for these managers were unknown.

**6- The Aesthetic Value (ASP):** among the sample subjects and within all groups, the subjects were lowest oriented towards the Aesthetic values, with no exception reported by any group of the sample subjects.

#### **7.7.1.2 Managerial Values:**

**1- The Economic Value (ECM):** results showed that all subjects ranked the Economic value as the most important with no exceptions noticed among the different sample groups.

**2- The Social Value (SOM):** this value was ranked second highest by most of the respondents, but scored third with Finance Managers, Marketing Managers, Production Managers, Sales Managers, and Purchasing Managers. These subjects are characterised as being less than thirty years, or fifty years of age or more, with secondary school and some college education. They had been in management for thirty years or more in large agriculture, finance, transportation,

and diversified firms. This value was also found to rank fourth in preference by the highest educated managers.

**3- The Religious Value (RGM):** this value scored third except with Marketing Managers, Production Managers, Sales Managers, and Purchasing Managers who were under thirty or over fifty who had received high school and some college education as well as those having PhDs, where it was second highest. In addition, these subjects had been in large agricultural, finance and transportation firms for more than thirty years, especially those managers over fifty years of age. Meanwhile, this value scored fourth with managers of small service firms which had been in existence for between 5-9 years. Another exception was reported by managers of manufacturing and diversified companies whose ages fell between thirty and forty years, with college and master degrees and who had been in management for less than five years. These subjects scored fifth for the Religious value.

**4- The Political Value (PLM):** this value scored fourth with most of the subjects, except with managers whose ages fell into the 30-39 category, and who had been in service firms for less than ten years, where it was third. But it scored fifth with older managers (50 years old or more), with the highest and lowest educational levels, and who had been in management for at least 20 years in small and medium trade enterprises.

**5- The Theoretical Value (THM):** this dimension ranked fifth among other dimensions within the managerial profile. But it was given fourth place by managers of thirty years of age or more, with a maximum educational level of secondary school, who had been in medium-sized trade organisations for less

than five years as well as those with twenty years or more of managerial experience. Well-educated managers (college degree and more) represented another exception. These managers were found to be more oriented towards the Theoretical values in their managerial life and scored this third. These managers are characterised as executives of small manufacturing firms, and finance managers within diversified firms.

**6-The Aesthetic Value (ASM):** as mentioned above, among all sample subjects and within each group, the respondents were lowest oriented towards the Aesthetic values in the workplace. No exceptions occurred among the different sample groups.

The above findings indicate that although Saudi executives showed a similar ranking of the six personal values and a similar ranking of the six managerial values, variations in their responses were found in both personal and managerial values within the categories of each of the personal and organisational variables. These findings also suggest that although Islamic Religion has a significant influence on the totality of life of Saudi society, the majority of Saudi business managers seem to be more economic and placed highest emphasis on the economic outcomes of their decisions. Such findings clearly reflect the rapid growth of Saudi society as well as the government's efforts to facilitate the economic development.

The above presentation concerned the primary value orientations of Saudi executives in terms of their personal and organisational characteristics, but how similar are the value profiles of the different groups of Saudi executives? This question can be asked as follows:



**7.7.2 Are the Saudi managers of top and middle levels, both in listed and unlisted companies different in their personal and managerial value profiles?**

Although cluster analysis could be the more appropriate technique to answer this question, the researcher opted here the simpler procedure because of the following reasons:

- 1- The information is not detailed enough to conduct a cluster analysis;
- 2- The researcher found strong homogeneity within the group of top managers and strong homogeneity within the group of middle managers. This is because most of the sample's subjects were educated within Saudi Arabia and have assimilated its cultural and institutional values.

However, this question was tested using The t Test to find out the differences in the personal and managerial value profiles of managers at top and middle levels and also among those in listed and unlisted companies. The results were obtained and presented in Tables 7.12,13,14,15 respectively as follows:

**TABLE 7.12**  
**TEST FOR DIFFERENCES IN THE PERSONAL VALUE**  
**PROFILES OF TOP AND MIDDLE LEVEL MANAGERS**

<i>Value</i>	<i>Top n=71</i>	<i>Middle n=144</i>	<i>t</i>	<i>Sig. 2-tailed</i>
<b>Theoretical</b>	40.85	39.52	1.713	.088
<b>Economic</b>	<b>46.82</b>	<b>49.97</b>	<b>-4.436***</b>	<b>.000</b>
<b>Aesthetic</b>	26.56	26.67	-.141	.888
<b>Social</b>	39.87	40.16	-.393	.695
<b>Political</b>	<b>38.75</b>	<b>36.01</b>	<b>3.665***</b>	<b>.000</b>
<b>Religious</b>	47.17	47.67	-.550	.583

\*\*\*P < .001

**TABLE 7.13**  
**TEST FOR DIFFERENCES IN THE MANAGERIAL VALUE**  
**PROFILES OF TOP AND MIDDLE LEVEL MANAGERS**

<i>Value</i>	<i>Top n=71</i>	<i>Middle n=144</i>	<i>t</i>	<i>Sig. 2-tailed</i>
Theoretical	18.61	17.49	3.205**	.002
Economic	19.61	21.38	-5.377***	.000
Aesthetic	14.17	14.45	-.922	.357
Social	19.42	18.67	2.397*	.017
Political	18.28	17.67	1.988*	.048
Religious	17.94	18.29	-.728	.468

\*P < .05    \*\*P < .01    \*\*\*P < .001

With respect to the personal value profiles, Table 7.12 revealed only two significant differences between the two groups of top and middle level managers. Surprisingly, top managers are more Political but less Economic in their personal value profile than managers from middle levels. This is because these managers are in positions of power and responsible for representing their organisations and as a whole can influence political and economic decisions at the national level. The personal lives of top managers therefore are much integrated into their managerial lives than those at the middle levels. Another explanation for this finding is that most of top managers belong to the conservative group (40 years of age and over). In their managerial profile, however, top managers are more Theoretical, Social, and Political but less Economic than middle level managers (Table 7.13). Although top managers are more responsible for achieving organisational goals including profit maximisation, they showed lower Economic values than did managers at the middle levels. This finding reflects the fact that middle level managers are mainly responsible for the implementation of the organisation's strategies, and their personal promotions depend largely on the economic outcomes of their decisions.



Having presented the differences in personal and managerial value profiles of top and middle level managers, attention will now be directed to highlighting the differences in the value profiles of managers of listed and unlisted firms.

To identify the differences in the value profiles of managers in listed and unlisted companies, the Independent Sample T Test between the two groups was also conducted and the following results were obtained:

**TABLE 7.14**  
**TEST FOR DIFFERENCES IN THE PERSONAL VALUE**  
**PROFILES OF MANAGERS IN LISTED AND UNLISTED**  
**COMPANIES**

<i>Value</i>	<i>Managers of Unlisted n=194</i>	<i>Managers of Listed n=21</i>	<i>t</i>	<i>Sig. 2-tailed</i>
Theoretical	39.98	39.76	-.176	.860
Economic	<b>48.60</b>	<b>51.95</b>	<b>2.911**</b>	<b>.004</b>
Aesthetic	26.62	26.71	.078	.938
Social	40.06	40.14	.075	.941
Political	37.00	36.10	-.748	.455
Religious	47.74	45.33	-1.668	.097

\*\*P < .01

**TABLE 7.15**  
**TEST FOR DIFFERENCES IN THE MANAGERIAL VALUE**  
**PROFILES OF MANAGERS IN LISTED AND UNLISTED**  
**COMPANIES**

<i>Value</i>	<i>Managers of Unlisted n=194</i>	<i>Managers of Listed n=21</i>	<i>t</i>	<i>Sig. 2-tailed</i>
Theoretical	17.94	17.10	-1.514	.131
Economic	<b>20.47</b>	<b>23.76</b>	<b>6.486***</b>	<b>.000</b>
Aesthetic	14.37	14.29	-.165	.869
Social	19.01	18.14	-1.731	.085
Political	<b>17.96</b>	<b>16.95</b>	<b>-2.114*</b>	<b>.036</b>
Religious	18.22	17.76	-.607	.545

\*P < .05    \*\*\*P < .001

Table 7.14 revealed two significant differences between the two groups of managers of listed and unlisted organisations in terms of their personal value profiles. Managers in listed organisations are more Economic and less Religious than managers in unlisted companies. As would be expected, Table 7.15 indicates that the managers in listed organisations also placed greater emphasis on the Economic values than those in unlisted companies, but are minimally less Political than the latter group. The reason for this is probably that managers of listed companies are likely to be highly educated. The highly educated Saudi managers are exposed to Western ideas and managerial values through their studies abroad, and also those who are educated within Saudi Arabia are exposed to Western business values and methods, as their courses are highly influenced by Western management theories (Yavas et al., 1996). This finding also reflects the awareness of these managers of their accountability to stockholders.

The above analysis highlighted the differences between specific groups of Saudi executives in terms of their personal and managerial value profiles. Attention will now be focused upon investigating the relationship between personal and managerial values of Saudi executives and personal and organisational characteristics through the following question:

**7.7.3 Is there any relationship between personal and managerial values of Saudi executives and organisational and personal characteristics such as: position, age, education, experience, activity, and size of firm?**

The main objective of this question is to identify whether personal and/or organisational variables influence Saudi managers' values or whether these managers share similar responses to the six values in both personal and managerial profiles.



**One-Way Analysis of Variance (ANOVA) <sup>6</sup> and Kruskal-Wallis <sup>7</sup> Tests** were conducted to answer this question using managerial position, age, education, experience, type of business, and size of firm as independent factors. The results showed fifteen significant differences among the personal values (Table 7.16), and thirteen significant differences among the managerial values (Table 7.17). These differences will be highlighted in accordance to Tables 7.5-7.11 as follows:

With respect to the personal values, Table 7.16 shows that there are five significant differences between the variable manager's position and the following personal values: Theoretical, Economic, Social, Political and Religious. Table 7.5, and 7.6, which summarises statistics, show that Presidents, Vice Presidents, Administrative and Financial Managers placed greater emphasis on the Theoretical values than other managers in the sample. In addition, Finance Managers, Marketing Managers, and Production Managers scored higher in the Economic values than other subjects. Moreover, Presidents, Personnel Managers, Sales Managers, and Purchasing Managers were more oriented towards the Social value than other types of managers, while Presidents, Vice Presidents, and Administrative Managers scored higher for the Political value than other managers in the sample.

The statistical results revealed only two significant differences between the manager's age and the Economic and Political values (Table 7.16). However, Table 7.7, which summarises the statistics, shows that managers under 30 years of age were

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6) ANOVA is the suitable statistical measure when the means of several groups are to be compared to determine if their differences are significant. If the observed result is greater than the test value for some level of significant, then the hypothesis that there is no significant difference in the means of the sample groups may be rejected. (Zikmund, 1989).

7) **Kruskal-Wallis Test** is a nonparametric alternative to one-way analysis of variance (ANOVA) testing the median's variance of several groups. It is used to ensure the accuracy of the results obtained by using ANOVA or when the data used are from non-normal distributed populations (Norusis, 1997).

more oriented towards Economic values than other subjects. Managers whose age fell into the 30-49 years of age category scored higher on the Political values than managers of other categories. Hence, the null-hypothesis that there is no difference between the variable manager's age and personal value profiles is also rejected.

Although the ANOVA Test did not show a significant difference between educational levels and Theoretical orientations, Kruskal Wallis proved this difference (.042). In addition to the previous difference, both tests show a significant difference between the variable educational level and Religious values. The results show that managers with a college degree or higher placed a higher emphasis on the Theoretical values than did managers from other groups, while less educated managers were found to be more oriented towards the Religious values than other subjects. Therefore, the null-hypothesis that there is no difference between the educational level of the manager and personal values is rejected.

Regarding the variable years of experience, both tests show only two significant differences between managerial experience and Economic and Social values (Table 7.16). Descriptive results (Table 7.9) indicate that managers who had been in management for less than ten years placed greater emphasis on the Economic dimensions than other managers did. However, managers who had been in management for twenty years or more tended to show higher attitudes towards the Social values. Thus, the null-hypothesis that there is no difference between the variable managerial experience and personal value orientations is also rejected.

Concerning the variable type of business, Table 7.16 shows three significant differences between the type of business activity and the following personal values: Theoretical, Political and Religious values. Although ANOVA did not show a

significant difference between the variable type of business and the Religious values, the Kruskal Wallis did pick out this difference.

Table 7.10 indicates that managers of manufacturing, trade, agricultural and financial firms placed greater emphasis on Theoretical values. Managers who work for manufacturing, trade, services and diversified companies placed higher emphasis on the Political values than did managers from other categories, while managers of agricultural, financial, transportation, construction and diversified firms were more Religious than the rest of the managers. Therefore, the null-hypothesis that there is no difference between the variable type of business and personal values is rejected.

With respect to the size of firm, the statistical results showed only one significant difference between the variable size of firm and the Economic preferences in the personal profile (Table 7.16). Table 7.11 indicates that managers who work for companies employing 1000 persons or more were found to be more Economically orientated than other managers in the sample. Thus, the null-hypothesis that there is no difference between the variable size of firm and personal value orientations is also rejected.

The previous discussion focused upon the differences which were found among the personal values when ANOVA and Kruskal Wallis Tests were used using personal and organisational characteristics as the independent variables. Both Tests will also be conducted for each managerial value using previous personal and organisational characteristics as the independent variables (Table 7.17).

TABLE 7.16

P- VALUE FOR ANOVA AND KRUSKAL WALLIS TESTS  
FOR EACH PERSONAL VALUE USING JOB, AGE, EDUCATION,  
EXPERIENCE, TYPE OF BUSINESS, AND SIZE OF FIRM  
AS INDEPENDENT VARIABLES

Values	Position		Age		Education		Experience		Type of business		Size of firm	
	ANOVA	K.W	ANOVA	K.W	ANOVA	K.W	ANOVA	K.W	ANOVA	K.W	ANOVA	K.W
Theoretical	.004**	.005**	.683	.558	.061	.042*	.349	.377	.010*	.008**	.342	.332
Economic	.000***	.000***	.009**	.004**	.433	.558	.041*	.023*	.396	.259	.048*	.049*
Aesthetic	.102	.086	.181	.276	.276	.476	.810	.686	.944	.928	.898	.988
Social	.000***	.000***	.218	.186	.276	.386	.033*	.046*	.257	.202	.802	.822
Political	.000***	.000***	.034*	.024*	.106	.096	.484	.456	.029*	.009**	.069	.062
Religious	.013*	.007**	.331	.317	.002**	.004**	.648	.688	.058	.031*	.918	.920

\*P &lt; .05

\*\*P &lt; .01

\*\*\*P &lt; .001



TABLE 7-17

P-VALUE FOR ANOVA AND KRUSKAL WALLIS TESTS  
FOR EACH MANAGERIAL VALUE USING JOB, AGE, EDUCATION,  
EXPERIENCE, TYPE OF BUSINESS, AND SIZE OF FIRM  
AS INDEPENDENT VARIABLES

Value	Position		Age		Education		Experience		Type of business		Size of firm	
	ANOVA	K.W	ANOVA	K.W	ANOVA	K.W	ANOVA	K.W	ANOVA	K.W	ANOVA	K.W
Theoretical	.000**	.000**	.241	.161	.005**	.007**	.883	.930	.010*	.008**	.305	.287
Economic	.000***	.001**	.764	.685	.788	.179	.179	.161	.002**	.002**	.126	.094
Aesthetic	.306	.283	.628	.868	.112	.175	.336	.269	.791	.595	.015*	.004**
Social	.091	.121	.400	.250	.379	.485	.124	.183	.571	.484	.811	.852
Political	.106	.049*	.001**	.001**	.131	.133	.010*	.007**	.063	.039*	.081	.042*
Religious	.022*	.011*	.030*	.012*	.006**	.012*	.684	.485	.070	.055	.926	.945

\*P < .05      \*\* P < .01      \*\*\* P < .001

The tests show that there are four significant differences between the variable job of managers and the Theoretical, Economic, Political and Religious values in the managerial system (Table 7.17). Although ANOVA did not show any significant differences between managers' positions and their Political value orientation, Kruskal Wallis proved that a significant difference exists. Descriptive statistics displayed in Tables 7.5 and 7.6 revealed that Presidents, Vice Presidents, Administrative Managers, Finance Managers and those under the 'others' category tended to place a higher emphasis on Theoretical values. In addition, Administrative Managers, Financial Managers, Marketing Managers, Production Managers, Sales Managers, and Purchasing Managers put greater emphasis on Economic preferences than other managers in the sample. The results also indicate that Presidents, Vice Presidents, Administrative Managers and Personnel Managers were more Political than other managers, whereas Production Managers, Sales Managers and Purchasing Managers were more Religiously oriented than other managers. Consequently, the null-hypothesis that there is no difference between the variable manager's position and managerial value orientations is rejected.

Regarding the variable manager's age, Table 7.17 manifested only two significant differences between the variable manager's age and their Political and Religious values. However, statistics presented in Table 7.7 indicate that managers who were under 40 years of age were more Political than managers of other categories, whereas managers under 30 years of age, as well as those aged 50 years or more were more Religious than other managers in the sample. Although managers of different ages did not vary significantly over the remaining four values in the managerial profile, the null-hypothesis that there is no difference between the age of a manager and managerial value preferences could not be accepted.

With respect to the variable educational levels, the results manifested two significant differences between this variable and the Theoretical and Religious values in the managerial system (Table 7.17). Descriptive statistics (Table 7.8) show that managers with a college degree or higher gave greater emphasis to the Theoretical dimension than less educated managers. The results also show that managers who received some college education, as well as those with a PhD, were more Religious than managers of other categories. Hence, the null-hypothesis that there is no difference between the variable educational level and managerial value profiles is rejected.

Concerning managerial experience, both ANOVA and Kruskal Wallis Tests show only one significant difference between the variable years of experience and Political value orientation (Table 7.17). Means statistics (Table 7.9) revealed that managers with less than 10 years of managerial experience were more Political than other managers in the sample. Although the results show only one significant difference between the variable years of experience and managerial values, the null-hypothesis that there is no difference between the variable managerial experience and managerial value orientations could not be accepted.

The variance tests manifested three significant differences between the variable type of business and Theoretical, Economic and Political values in the managerial profile (Table 7.17). Although ANOVA did not show a significant difference between business activities and value orientations, Kruskal Wallis showed a significant difference between them. As shown in Table 7.10, managers of manufacturing, trade, service and diversified firms tended to be more Theoretical than managers of others categories. In addition, managers of agricultural, financial, transportation and construction companies were more Economic than the rest of

managers. Managers of manufacturing, financial and diversified organisations were more Political than managers of other categories. Hence, the null-hypothesis that there is no difference between the type of business and managerial value orientations is also rejected.

The results show only one significant difference between the size of a firm and the managerial Aesthetic value (Table 7.17). Statistical results (Table 7-11) indicate that managers who work for companies which employ 1000 people or more were found to place more importance on the Aesthetic value than other managers. Thus, the null-hypothesis that there is no difference between the size of firm and managerial value orientations is rejected.

The above results hence provide empirical evidence that the personal and managerial value profiles of Saudi executives differ across their personal and organisational characteristics. These results therefore conclusively contradicts previously held assumptions (e.g., Polk, 1980) that Arabs have similar values despite their demographic backgrounds and in addition, proves that organisational characteristics could also have an impact on the value profiles of Arab individuals.

The results also show that the variable managerial position seems to be the most influential amongst all the personal and organisational variables. One possible explanation for this finding could be that each individual managerial position has its own specifications requiring a certain individual with a specific set of values important in achieving the objectives of such a position.

The above analysis concerned the effects of various personal and organisational characteristics of Saudi executives on their personal and managerial values. The next section will concentrate on the overall value profiles of the average Saudi executive through the following question:



#### **7.7.4 What are the overall personal and managerial value profiles of the Saudi executive? And to what extent are the two profiles similar at the typical Saudi executive level?**

It should be noted that receiving adequate answers to this question would add strength to the previous findings and be useful in shaping a complete view of the general value system of Saudi managers as a group.

The above question was tested using descriptive statistics. Means and standard deviations for each value in both value profiles were obtained as well as minimum and maximum scores. These measures are presented in ranking orders in Tables 7.18 and 7.19 according to their relative strength.

Statistical results indicate that answers to the questionnaires revealed two different value profiles: a personal value profile (parts 1 and 2 of the questionnaire) and a managerial value profile (part 3 of the questionnaire). However, in both value profiles, the respondents placed highest emphasis on the Economic values and lowest on the Aesthetic values. In addition, in the personal profile, the maximum score was given to the Religious value (65) where the minimum was given for the Aesthetic value (14). In the managerial profile (Table 7.19), the maximum score was given to the Economic value (27) and the minimum to the Aesthetic value (9). Although the maximum score was for the Religious value in the personal profile (Table 7.18), it ranked second in the personal pattern, and third in the managerial profile. Where the Social value ranked third in the personal profile, it ranked second highest in the managerial profile. Moreover, the subjects scored Theoretical fourth in the personal profile, but fifth in the managerial profile. The Political dimension was found fifth in the personal profile, but fourth in the managerial value profile.

# TABLES 18,19

## DESCRIPTIVE STATISTICS WHEN VALUES IN BOTH PROFILES ARE RANKED BASED ON SUBJECTS' PREFERENCES ON THE SIX VALUE DIMENSIONS

TABLE 7.18  
PERSONAL VALUE PROFILE  
(ANSWERS TO PART 1-2 OF THE QUESTIONNAIRE)  
(N = 215)

Measures	(1) Ec. V	(2) Rg. V	(3) So. V	(4) Th. V	(5) Pl. V	(6) Aes. V
Means	48.93	47.51	40.07	39.96	36.92	26.63
S.D.	5.10	6.31	5.02	5.36	5.29	5.04
Minimum	34	30	28	29	25	14
Maximum	62	63	55	56	53	45
Average	240 / 6 = 40 points					

TABLE 7.19  
MANAGERIAL VALUE PROFILE  
(ANSWERS TO PART 3 OF THE QUESTIONNAIRE)  
(N = 215)

Measures	(1) Ec. V	(2) So. V	(3) Rg. V	(4) Pl. V	(5) Th. V	(6) Aes. V
Means	20.79	18.92	18.18	17.87	17.86	14.36
S.D.	2.41	2.18	3.29	2.10	2.45	2.11
Minimum	15	13	10	13	12	9
Maximum	27	25	26	24	25	23
Average	108 / 6 = 18 points					

The above discussion concerned the overall value profiles of the typical Saudi executive in both personal and managerial lives. But to what extent are the two profiles similar?

This question was tested using **simple correlation analysis**<sup>8</sup>. Each particular value in each value profile was related to the remaining values within the same profile, and to values in the other profile. Because the nature of the test employed is *ipsative*, the mean correlation between scores is by necessity negative and is  $-1/(n-1)$  (Kline, 1993). Ipsative test is by definition being applied to one personality, it is impossible to correlate one value with itself (like with like), therefore the total number of correlations must be reduced by one.

As Table 7.20 indicates, there are no strong relationships between values in each value pattern or between values in both patterns. However, the results show:

- (a) Nine significant correlations were found between values of the personal value pattern. (Part 1 Table 7.20).
- (b) Nine significant correlations were found between values of the managerial value pattern. (Part 2 Table 7.20).
- (c) Eighteen significant correlations were found between values within both patterns. (Part 3 Table 7.20).

These results are set out in Figure 7-1. According to the above results, one can suggest that the general value system of the Saudi executive could be deconstructed into the following profiles:

- (1) The personal value profile. No.1 Figure 7-1
- (2) The managerial value profile. No.2 figure 7-1
- (3) The personal-managerial intercepted profile. No. 3 Figure 7-1

---

**8) Correlation Analysis (r):** is a test to examine how one variable is related to another (relationship between two variables). Correlation coefficient could range between  $-1.0$  and  $+1.0$  and is explained by P value. P value levels are .05, .01, and .001. The smaller the level of significance the greater the relationship is between the two variables. Pearson Product  $r_p$  and Spearman  $r_s$  are the most frequently used measures of relationship between two quantitative variables. Since our variables are expressed in ranks, the Spearman Brown coefficient was used to examine the relationships between variables.

$$r_s = 1 - \frac{6 \sum D^2}{N^3 - N}$$



TABLE 7.20

THE SPEARMAN BROWN CORRELATION COEFFICIENTS- $r_s$ <sup>9</sup>  
BETWEEN VALUES IN EACH PATTERN AND BETWEEN VALUES  
FROM BOTH PATTERNS

Value Pattern	Personal Values (1)						Managerial Values					
Personal Values	Theo.	Econ.	Aest.	Soci.	Poli.	Relg.	Theo.	Econ.	Aest.	Soci.	Poli.	
Economic Value	.007											
Aesthetic Value	-.165*	-.153*										
Social Value	-.289***	-.330***	-.023									
Political Value	-.074	-.342***	-.130	-.242**								
Religious Value	-.417***	-.132	-.407***	-.058	-.203**							
Managerial Values	(3)						(2)					
Theoretical Value	.395***	-.133	.078	-.249***	.232***	-.284***						
Economic Value	-.006	.474***	-.047	-.052	-.301***	-.047	-.245**					
Aesthetic Value	.027	.123	.204**	.016	-.184**	-.141	-.160*	-.032				
Social Value	-.056	-.225**	.094	.240***	.123	-.137	-.073	-.313***	-.060			
Political Value	.066	-.031	-.059	-.177*	.350***	-.141*	.058	-.288***	-.187**	-.094		
Religious Value	-.304***	-.164*	-.184**	.175*	-.134	.508***	-.457***	-.132	-.334***	-.279***	-.266***	

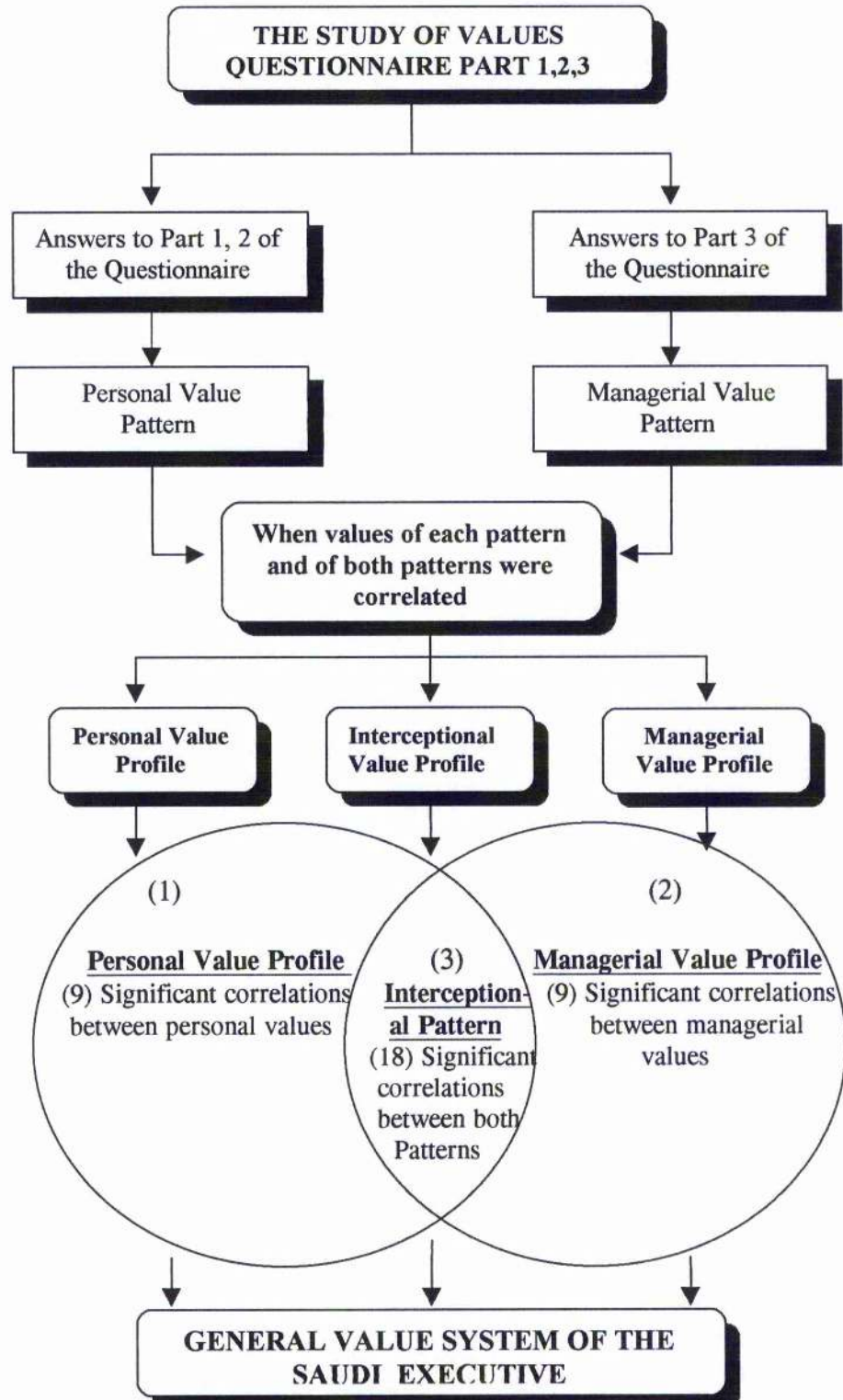
\*P < .05    \*\*P < .01    \*\*\*P < .001

9) When Pearson Product-Moment Correlation  $r_p$  was conducted, similar results were obtained.



FIGURE 7-1

**THE GENERAL VALUE SYSTEM OF THE SAUDI EXECUTIVE**



In order to determine whether the above finding is acceptable, **multiple regression and correlation analyses**<sup>9</sup> were conducted because they refer to the relative strength of the six values investigated and not the individual, absolute strength. As pointed by Allport et al. (1970):

"A high score on one value can be obtained only by reducing correspondingly the scores on one or more of the other values."  
(Allport, et al., 1970, p. 8).

By utilising these measures, each particular value will be related to the remaining values in the same profile, and to values in both profiles. Such analysis will enable us to decide which of the above profiles best explains each value in both value profiles. The statistical analysis revealed twenty (20) significant equations explaining the relationships between values of each profile and between values from both profiles. (independent variables included in each equation). The results are demonstrated as follows:

- (1) When each value in the personal profile was explained by four values in the same profile, six significant equations were obtained (Equations 1-6 Table 7-21).

---

**9) Multiple Regression Analysis:** is a statistical technique used to examine the variance in the dependent variable when several independent variables (predictors) are **simultaneously regressed** against the dependent variable, and is expressed by the following equation:  $\hat{y}_i = b_0 + b_1x_i$ . Where  $\hat{y}_i$  is the predicted value of y for observation of  $i$ , and  $y_i$  is the value of X for observation  $i$ . When independent variables are jointly regressed against the dependent variable to explain the variance in the dependent variable, the individual correlations are collapsed into **multiple r or multiple correlation** (Sekaran). The square of multiple correlation or  $R^2$ , is the amount of variance explained in the dependent variable by the predictors (Sekaran, 1992). For example, if the multiple R is .74 with the significant level of  $p < .001$ , the  $R^2$  is .56, then we can say that 56% of the variance has been significantly explained by the set of predictors. The chance of this not being true is 1%.

**TABLE 7.21**  
**REGRESSION MODELS\* WHEN PERSONAL VALUES ARE**  
**CONSIDERED AS DEPENDENT AND INDEPENDENT**  
**VARIABLES**

<i>Personal Values (Dependent)</i>		<i>When Personal Values** are Independent Variables</i>				<i>R</i>	<i>R</i> <sup>2</sup>	<i>F</i>	<i>P</i>
<u>1- Theoretical</u> T***	118.46	-.561 Ae (-10.06)	-.470 So (-9.14)	-.405 Pl (-7.91)	-.627 Rg (-13.85)	.74	.55	64.7	.000
<u>2- Economic</u> T	121.54	-.440 Ae (-7.92)	-.525 So (-10.22)	-.596 Pl (-11.66)	-.376 Rg (-8.32)	.71	.51	54.5	.000
<u>3- Aesthetic</u> T	112.92	-.496 Th (-9.85)	-.416 Ec (-8.06)	-.449 Pl (-8.79)	-.622 Rg (-13.94)	.73	.53	59.1	.000
<u>4- Social</u> T	127.38	-.503 Th (-9.92)	-.586 Ec (-11.31)	-.553 Pl (-10.77)	-.381 Rg (-8.50)	.72	.52	56.9	.000
<u>5- Political</u> T	132.96	-.465 Th (-8.02)	-.637 Ec (-11.44)	-.643 So (-10.77)	-.433 Rg (-9.12)	.71	.50	52.0	.000
<u>6- Religious</u> T	137.82	-.655 Th (-12.90)	-.479 Ec (-8.41)	-.773 Aes (-13.94)	-.545 Pl (-9.92)	.80	.64	88.3	.000

\* The final specification for each equation is arrived at by starting with a general model (by including all the relevant variables) and then simplifying it in the light of sample information. Furthermore, these results should be interpreted with caution because simultaneity problem. However, this problem cannot be addressed here because of lack of other relevant variables and instruments.

\*\* Th = Theoretical, Ec = Economic, Ae = Aesthetic, So = Social, Pl = Political, Rg = Religious

\*\*\* Sig T =  $p < .001$

- (2) When each value in the managerial profile was explained by four values in the same profile, six significant equations were found (Equations 7-12 Table 7.22).
- (3) Each of the Economic and Political values within the personal profile could be explained by four values from the managerial profile (Equations 13,14) Table (7.23).
- (4) Each of the Theoretical and Religious values in the managerial profile could be explained by four values from the personal profile (Equations 15,16 Table 7-24).



**TABLE 7.22**  
**REGRESSION MODELS WHEN MANAGERIAL VALUES\* ARE**  
**CONSIDERED AS DEPENDENT AND INDEPENDENT VARIABLES**

<i>Managerial Values (Dependent)</i>	<i>When Managerial Values * are Independent Variables</i>					<i>R</i>	<i>R<sup>2</sup></i>	<i>F</i>	<i>P</i>
<u>7- Theoretical</u> T**	58.61	-.531 Ec (-11.21)	-.559 Ae (-10.38)	-.557 So (-10.16)	-.613 Rg (-16.63)	.79	.62	58.3	.000
<u>8- Economic</u> T	62.74	-.568 Th (-10.79)	-.658 So (-11.86)	-.568 Pl (-10.16)	-.507 Rg (-11.91)	.75	.56	66.8	.000
<u>9- Aesthetic</u> T	49.13	-.515 Th (-9.61)	-.369 Ec (-7.15)	-.487 Pl (-8.49)	-.507 Rg (-12.36)	.68	.46	45.4	.000
<u>10- Social</u> T	57.64	-.490 Th (-9.19)	-.610 Ec (-11.86)	-.470 Pl (-8.23)	-.489 Rg (-11.96)	.71	.50	52.5	.000
<u>11- Political</u> T	48.79	-.455 Ec (-9.19)	-.431 Ae (-7.67)	-.436 So (-7.62)	-.386 Rg (-10.02)	.66	.44	40.5	.000
<u>12- Religious</u> T	73.67	-.927 Th (-16.63)	-.648 Ec (-11.05)	-.764 Ae (-12.33)	-.766 So (-12.14)	.82	.68	112.7	.000

\* Th = Theoretical, Ec = Economic, Ae = Aesthetic, So = Social, Pl = Political, Rg = Religious

\*\* Sig T =  $p < .001$

(5) When each of the Economic and Political values in the personal profile and each of Theoretical and Religious values in the managerial profile were explained by eight values from both profiles, four significant equations were obtained (Table 7.25 equations 17-20).

The above results seem consistent with the previous suggestion that the general value system of the Saudi executive could be deconstructed into three value profiles: Personal value profile, Managerial value profile, and Personal-Managerial interrelated profile.

The results also indicate that the personal and managerial value profiles of the Saudi executive are dissimilar in the way by which values within each profile are related (Tables 7.21,22). However, the results also show that the personal and managerial profiles are interrelated. (Tables 7.23, 24, 25).



**TABLE 7.23**  
**REGRESSION MODELS WHEN MANAGERIAL VALUES\* ARE**  
**CONSIDERED INDEPENDENT VARIABLES AND PERSONAL**  
**VALUES ARE THE DEPENDENT VARIABLES**

<i>Personal Values (Dependent)</i>		<i>When Managerial Values are Independent Variables</i>				<i>R</i>	<i>R</i> <sup>2</sup>	<i>F</i>	<i>P</i>
Theoretical		Very low significant equation							
<u>13- Economic</u>	103.12	-.794 Th	-.959 So	-.437 Pl	-.774 Rg	.48	.23	15.7	.000
T		-5.39	-6.18	-2.79	-6.50				
Sig. T		.000	.000	.006	.000				
<u>Aesthetic</u>		Very low significant equation							
<u>Social</u>		Very low significant equation							
<u>14- Political</u>	79.62	-.844 Ec	-.774 Ae	-.253 So	-.509 Rg	.45	.20	13.3	.000
T		-5.69	-4.60	-1.47	-4.41				
Sig. T		.000	.000	.142	.000				
<u>Religious</u>		Very low significant equation							

\* Th = Theoretical, Ec = Economic, Ae = Aesthetic, So = Social, Pl = Political, Rg = Religious  
- The results show that the Social value in the managerial pattern did not contribute significantly to the prediction of the Religious value in the personal pattern.

**TABLE 7.24**  
**REGRESSION MODELS WHEN PERSONAL VALUES ARE**  
**CONSIDERED INDEPENDENT VARIABLES AND MANAGERIAL**  
**VALUES ARE THE DEPENDENT VARIABLES**

<i>Managerial Values (Dependent)</i>		<i>When Personal Values are Independent Variables</i>				<i>R</i>	<i>R</i> <sup>2</sup>	<i>F</i>	<i>P</i>
<u>15- Theoretical</u>	42.92	-.162 Th	-.073 Ae	-.189 So	-.160 Rg	.50	.25	17.2	.000
T		-5.08	-2.22	-6.03	-6.06				
Sig T		.000	.027	.000	.000				
<u>Economic</u>		Very low significant equation							
<u>Aesthetic</u>		Very low significant equation							
<u>Social</u>		Very low significant equation							
<u>Political</u>		Very low significant equation							
<u>16- Religious</u>	51.20	-.237 Th	-.211 Ec	-.221 Ae	-.198 Rg	.52	.27	19.9	.000
T		-6.43	-5.10	-5.49	-4.96				
Sig T		.000	.000	.000	.000				

Th = Theoretical, Ec = Economic, Ae = Aesthetic, So = Social, Pl = Political, Rg = Religious



**TABLE 7.25**  
**REGRESSION MODELS WHEN PERSONAL ECONOMIC AND POLITICAL VALUES**  
**AND MANAGERIAL THEORETICAL AND RELIGIOUS VALUES**  
**ARE EXPLAINED BY EIGHT VALUES FROM**  
**BOTH VALUE PROFILES**

Dependent Variables Personal and Managerial		Personal Values (Independent)					Managerial Values (Independent)					R	R <sup>2</sup>	F	P
17- Economic	(Personal)	148.65	-.410Ae (-7.79)	-.520So (-9.87)	-.538Pl (-10.93)	-.373Rg (-7.67)	-.758 Th (-6.26)	-.240 Ae (-1.81)	-.365 So (-2.90)	-.359 Rg (-3.26)	.77	.59	37.2	.000	
T															
Sig. T		.000	.000	.000	.000	.000	.000	.072	.004	.001					
18- Political	(Personal)	148.18	-.448Th (-7.82)	-.553Ec (-8.87)	-.607So (-10.04)	-.407Rg (-7.87)	-.176 Th (-1.23)	-.329 Ec (-2.58)	-.583 Ae (-4.16)	-.236 Rg (-2.10)	.74	.54	30.6	.000	
T															
Sig. T		.000	.000	.000	.000	.000	.221	.011	.000	.037					
19- Theoretical	(Managerial)	69.15	-.092Ec (-3.40)	-.058So (-2.23)	-.078Pl (-3.19)	-.039Rg (-1.95)	-.497 Ec (-9.34)	-.572 Ae (-10.35)	-.548 So (-9.61)	-.597 Rg (-13.64)	.80	.64	47.1	.000	
T															
Sig. T		.001	.027	.002	.002	.052	.000	.000	.000	.000					
20- Religious	(Managerial)	85.52	-.077 Th (-3.01)	-.121Ec (-4.33)	-.063Ae (-2.42)	-.149Pl (-5.84)	-.791 Th (-13.32)	-.593 Ec (-9.81)	-.733 Ae (12.16)	-.750 So (-12.85)	.86	.73	73.1	.000	
T															
Sig. T		.003	.000	.016	.000	.000	.000	.000	.000	.000					

-The results show that the Theoretical value in the managerial profile did not contribute significantly in the prediction of the Political value within the personal profile.

From the previous results, one could ask the following:

- 1- How important the Economic and/or Political values are in predicting the relative strength of the remaining values in the personal profile?
- 2- How important the Theoretical and/or Religious dimensions are in predicting the remaining values in the managerial profile?

To determine statistically whether an independent variable is the best predictor among all the variables in the equation, we will start with a general model and then simplify the model in the lights of sample information. However, when each variable was dropped from the equations 1-4 & 6 (Table 7.21), and when each variable was dropped from the equations 7-11 (Table 7.22), the following results were obtained:

- In the personal value profile (equations 1-4 & 6 Table 7.21), when each value was dropped from the equations, neither Economic nor Political was best in predicting the remaining values within the personal profile.
- In the managerial profile (equations 7-11 Table 7.22), when each value was dropped from the equations, the highest decrease in the  $R^2$  was achieved when the Religious variable was dropped from the equations. These findings are depicted in Table 7.26.

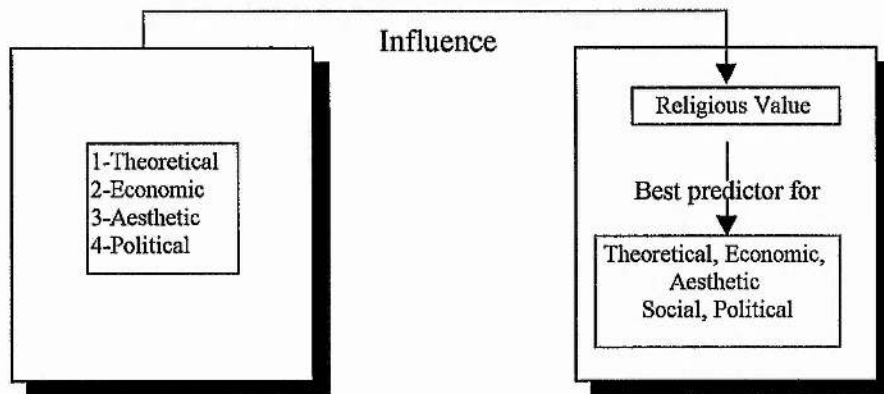
The conclusion can be drawn that both the personal and managerial value profiles are interconnected through the influence of the personal profile on the main variable (Religious) within the managerial profile. Hence, each value within both value profiles is best predicted by four values within the same profile, apart from the Religious value in the managerial profile, which was found to be best predicted by eight values from both profiles. These results are diagrammed as follows:

**FIGURE 7-3**

**THE INTERRELATIONSHIP BETWEEN  
PERSONAL AND MANAGERIAL VALUE PROFILES**

**PERSONAL VALUE PROFILE**

**MANAGERIAL VALUE PROFILE**



Although the regression analysis (Table 7. 26) suggested that the Religious dimension is the main variable in the managerial profile, further statistical methods could be used to ensure the centrality of the Religious variable within the managerial profile. In other words, will the relationships between values within the managerial profile be more affected under the control of the Religious dimension or under the control of other dimensions within the same profile? Partial correlation analysis was conducted to answer this question. By using this method, we are able to calculate the correlation between a number of variables under the control of a specific variable. The partial correlation coefficients were obtained and presented in Table 7.27.



**TABLE 7.26**  
**MULTIPLE REGRESSION AND CORRELATION ANALYSIS**  
**TESTING THE BEST PREDICTOR VARIABLE IN EACH VALUE PROFILE**

1- PERSONAL VALUE PROFILE (EQUATIONS 1-4 & 6 TABLE 7.21)  
2- MANAGERIAL VALUE PROFILE (EQUATIONS 7-11 TABLE 7.22)

(1)

No	Predicted Value	Variables in the Equations				$R^2$	$R^2$ after drop each value				Best Variable
		1	2	3	4		1	2	3	4	
1	Theo.	Aes.	Soc.	Pol.	Rlg.	.55	.34	.37	.42	.14	Religious
2	Eco.	Aes.	Soc.	Pol.	Rlg.	.51	.36	.27	.19	.35	Political
3	Aes.	Th.	Eco.	Pol.	Rlg.	.53	.31	.38	.36	.09	Religious
4	Soc.	Th.	Eco.	Pol.	Rlg.	.52	.29	.23	.26	.36	Political
6	Rlg.	Th.	Eco.	Aes.	Pol.	.64	.34	.50	.28	.45	Aesthetic

(2)

7	Theo.	Eco.	Aes.	Soc.	Rlg.	.62	.40	.42	.44	.16	Religious
8	Eco.	Th.	Soc.	Pol.	Rlg.	.56	.31	.27	.35	.26	Religious
9	Aes.	Th.	Eco.	Pol.	Rlg.	.46	.23	.34	.28	.07	Religious
10	Soc.	Th.	Eco.	Pol.	Rlg.	.50	.30	.17	.34	.16	Religious
11	Pol.	Eco.	Aes.	Soc.	Rlg.	.44	.21	.28	.28	.17	Religious

**TABLE 7.27**  
**PARTIAL CORRELATION COEFFICIENTS**

<i>Values</i>	<i>Control for Religious</i>			
	<i>Managerial Values</i>			
<b>Managerial Values</b>	<i>Theo.</i>	<i>Econ.</i>	<i>Aest.</i>	<i>Soci.</i>
Economic Value	-.346***			
Aesthetic Value	-.372***	-.081		
Social Value	-.234**	-.367***	-.169*	
Political Value	-.073	-.338***	-.304***	-.182**

In order to ensure the importance of the Religious variable as the main within the managerial profile, the above coefficients were compared with their values in Table 7.20. Partial correlation was also conducted using each value within the managerial profile as a controller and the resulting coefficients were also compared with the coefficients of correlations between the same values (Table 7.20). These comparisons revealed that correlations between the managerial values were more affected under the control of the Religious variable. The Religious dimension could therefore be considered the main predictor for the remaining values within the managerial value profile.

The above analysis highlighted the nature of the general value system of a Saudi executive and those profiles into which this value system is deconstructed. The relationship between those profiles was also clarified. But can these profiles be classified into different types? This question is asked as follows:

**7.7.5 Based upon Eduard Spranger's classification of values (Theoretical, Economic, Aesthetic, Social, Political, and Religious) can the value profiles of Saudi executives be classified into different types? And what are the characteristics of managers of each profile?**



But, before answering this question one could ask the following

Which of the three value profiles previously mentioned is relevant for the analysis of such classification? This question in order to be answered, it is important to note that:

- This study is primarily concerned with the manager's value profiles as a whole so it follows that individual managerial values are the main focus of the study.
- Both value profiles (personal & managerial) are interconnected through the influence of the personal profile on the Religious dimension (main) within the managerial profile.

Thus, the researcher decided to utilise the regression equations of the managerial value profile (equations 7-11, Table 7.22 & equation 20, Table 7.25) in the classification measurement.

It should be recognised that cluster analysis could also be the more appropriate technique to answer this question, but the researcher used a simpler procedure for the reasons given previously. A number of statistical measures will be taken to answer this question, such as calculating the regression equations whilst excluding the constant values of each equation. It is through this calculation that we will be able not only to compute the maximum and the minimum values, but also to determine the first and third **percentiles**<sup>10</sup>. Percentiles are also known as **quartiles**, since they divide the sample into four groups with roughly equal numbers of cases (Norusis, 1997). The results of these measures will help to divide subjects into three groups: more, midspread, and less oriented subjects toward each value. Those managers who are located within the midspread distance will always be considered as average managers. The t Test for each value will also be carried out to compare the means of the more and less oriented groups toward each value. The value profile is considered distinctive if the mean score of the more oriented group of each particular value is

highest amongst the mean scores of other values within the same group. The Theoretical dimension for example, will be a distinctive type of value profile if the mean score of the Theoretical values of the more theoretical group is highest amongst the mean scores of other values in the same group. These measurements will be presented next.

---

**10) Percentiles or Quartiles:** are the points which divide the distribution into quarters with roughly equal number of cases. The range of the middle 50% of the distribution concentrates on the middle cases. The lower quartile  $Q_1$  (25% percentile) represents those cases with lower scores, where  $Q_3$  (75% percentile) represents those cases with higher scores. The distance between the 25% percentile ( $Q_1$ ) and 75% percentile ( $Q_3$ ) is the midsread distance (interquartile range). Values (scores) that occupy the middle distance in a distribution cannot be classified as higher or lower scores (Marsh, 1988). For example, if we need to make a judgement about one person being more or less theoretical than another, we would not use those values located within the midsread distance of the distribution (the middle 50% of the distribution) to specify exactly how much more theoretical one person is than another.

The following equation is used to compute percentiles:  $\text{percentile} = LL + (i) \frac{N(p) - cf}{f_i}$  where:

$LL$  = lower real limits of the interval containing the desired percentile

$i$  = the size of the interval containing the desired percentile

$N$  = total number of cases in the distribution

$P$  = proportion equal to the desired percentile

$Cf$  = commutative frequency of scores below the interval containing the desired percentile.

$f_i$  = frequency of scores in the interval containing the desired percentile



## VALUE MEASUREMENT

### ANALYSIS OF THE SIX VALUES

#### EQUATIONS 7-11 (TABLE 7.22) AND EQUATION 20 (TABLE 7.25)

(1)

#### EQUATION NO. 7

#### THE THEORETICAL VALUE

58.61 -

$$[.531EC + .559AES + .557SO + .613RLG]$$

Statistically speaking, the higher the value of the equation the lower the subjects are oriented toward the Theoretical value, and the converse is also true. By calculating the regression equation, the following scores were obtained:

**TABLE 7.28**  
**STATISTICS**

<i>Value</i>	<i>N</i>				<i>Percentiles</i>		
	<i>Valid</i>	<i>Missing</i>	<i>Minimum</i>	<i>Maximum</i>	<i>25</i>	<i>50</i>	<i>75</i>
<b>Theo.</b>	215	0	34.13	45.30	39.58	40.81	42.18

Having obtained the limits of the Theoretical value, it is now possible to divide the subjects into three different groups, the more, average and less Theoretical managers. Subjects whose values of the equation range from 34.13 to 39.58 will be considered the "more" Theoretical managers, where respondents whose values of the equation range between 39.59 and 42.18 will be considered the average Theoretical managers. The managers whose values of the equation are located between 42.18 and 45.30 will be defined as being the "less" Theoretical managers. The three groups of the Theoretical value are presented in Table 7.29.

**TABLE 7.29**  
**GROUP CHARACTERISTICS**

<i>Estimated Limits</i>	<i>Group</i>	<i>Group Characteristic</i>
(34.13 – 39.59)	(1)	More Theoretical managers
(> 39.59 & < 42.18)	(2)	Average Theoretical managers
(42.18 – 45.30)	(3)	Less Theoretical managers

The Theoretical profile is considered a distinctive type, if the mean score of group one (the more theoretical managers) is the highest amongst the mean scores of other values in the same group. The means as well as the T Test between the more and less Theoretical groups were computed and presented in Table 7.30 as follows:

**TABLE 7.30**  
**GROUP STATISTICS**  
**MEAN DIFFERENCES**

<i>Value</i>	<i>More Theo.</i> <i>n=53</i>	<i>Less Theo.</i> <i>n=54</i>	<i>t</i>	<i>Sig.</i> <i>2-tailed</i>
Theoretical	20.3396	15.4630	14.554***	.000
Economic	19.9623	21.9259	-4.762***	.000
Aesthetic	13.9434	15.0926	-2.731**	.007
Social	18.6415	18.9630	-.803	.424
Political	19.5283	16.1852	10.488***	.000
Religious	15.5849	20.3704	-9.701***	.000

\*\*P < .01      \*\*\*P < .001

The above Table revealed two different value profiles, the more and the less. The mean score of the Theoretical value of the more Theoretical subjects ranked highest (20.34) amongst the mean scores of the other values. It is safe to state, therefore, that the Theoretical value represents a significant value profile (Theoretical value profile). As Table 7.30 indicates, an Independent-Sample T-Test revealed five significant differences between the two groups. The more Theoretical managers appear to be more Political and less Economic, Aesthetic, Social, and Religious than



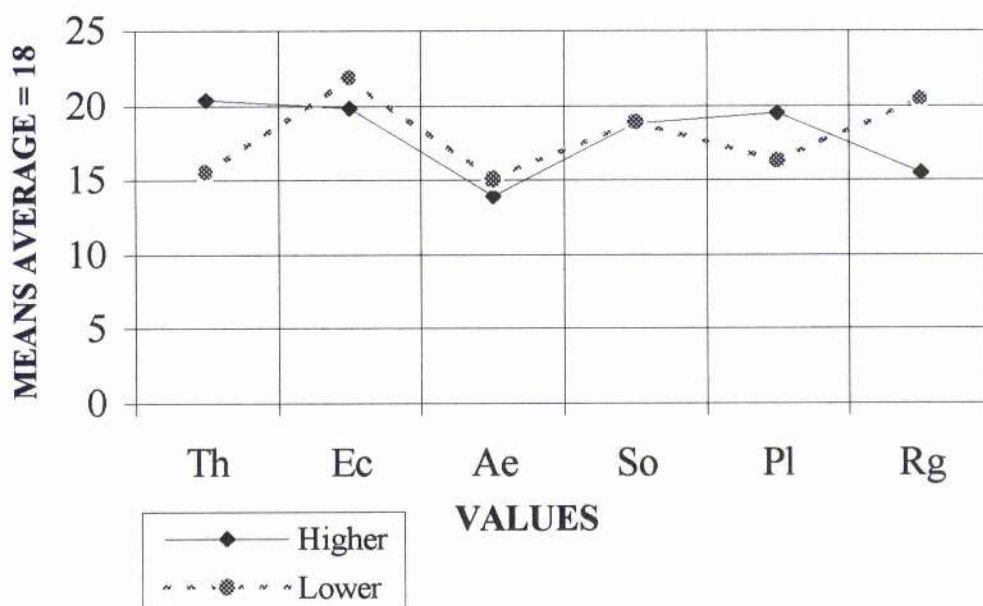
the less Theoretical managers. The Theoretical value profile of Saudi executives is illustrated in Table 7.31.

**TABLE 7.31**  
**RANKING OF THE SIX VALUES WITHIN THE**  
**THEORETICAL VALUE PROFILE OF SAUDI MANAGERS**

<i>Measures</i>	(1) <i>Theo. V</i>	(2) <i>Eco. V</i>	(3) <i>Pol. V</i>	(4) <i>Soc. V</i>	(5) <i>Rlg. V</i>	(6) <i>Aes. V</i>
<b>Means</b>	20.34	19.96	19.53	18.64	15.58	13.94
<b>Average</b>	18 points					

Figure 7-3 is a comparison between the two value profiles of the more and less Theoretical managers.

**FIGURE 7-3**  
**A COMPARISON BETWEEN**  
**THE MORE AND LESS THEORETICAL MANAGERS**



(2)

**MEASUREMENT**  
**OF THE ECONOMIC VALUE**

**EQUATION NO. 8**  
**THE ECONOMIC VALUE**

62.74 –

$$[.568 TH + .658 SO + .568 PL + .507 RG]$$

As mentioned before, the higher the value of the equation the lower the subjects are oriented toward the Economic value, and the converse is also true. When this part of the equation was computed, the following results were obtained:

**TABLE 7.32**  
**STATISTICS**

<i>Value</i>	<i>N</i>				<i>Percentiles</i>		
	<i>Valid</i>	<i>Missing</i>	<i>Minimum</i>	<i>Maximum</i>	<i>25</i>	<i>50</i>	<i>75</i>
<b>Econ.</b>	215	0	36.45	45.99	40.81	42.05	43.15

These scores were then used to divide respondents into three different groups, the more, average and less Economic managers (Table 7.33).

**TABLE 7.33**  
**GROUP CHARACTERISTICS**

<i>Estimated Limits</i>	<i>Group</i>	<i>Group Characteristic</i>
(36.45 – 40.81)	(1)	More Economic managers
(> 40.81 & < 43.15)	(2)	Average Economic cases
(43.15 – 45.99)	(3)	Less Economic managers

The Economic value will provide a distinguished type of value profiles if the mean score of the Economic value of the more Economic managers (group 1) is highest



amongst the means of other values within the same group. Descriptive statistics as well as the Independent-Sample T Test between the more and less Economic groups were computed and are presented in Table 7.34.

**TABLE 7.34**  
**GROUP STATISTICS**  
**MEAN DIFFERENCES**

<i>Value</i>	<i>More Eco.</i> <i>n=52</i>	<i>Less Eco.</i> <i>n=53</i>	<i>t</i>	<i>Sig.</i> <i>2-tailed</i>
Theoretical	16.6154	18.5660	-4.351**	.000
Economic	23.1731	18.4151	14.135***	.000
Aesthetic	16.1154	12.9434	8.266***	.007
Social	17.7115	20.0189	-5.748***	.424
Political	16.7308	18.8679	-5.759***	.000
Religious	17.6154	19.1887	-2.568*	.012

\*P < .05    \*\*\*P < .001

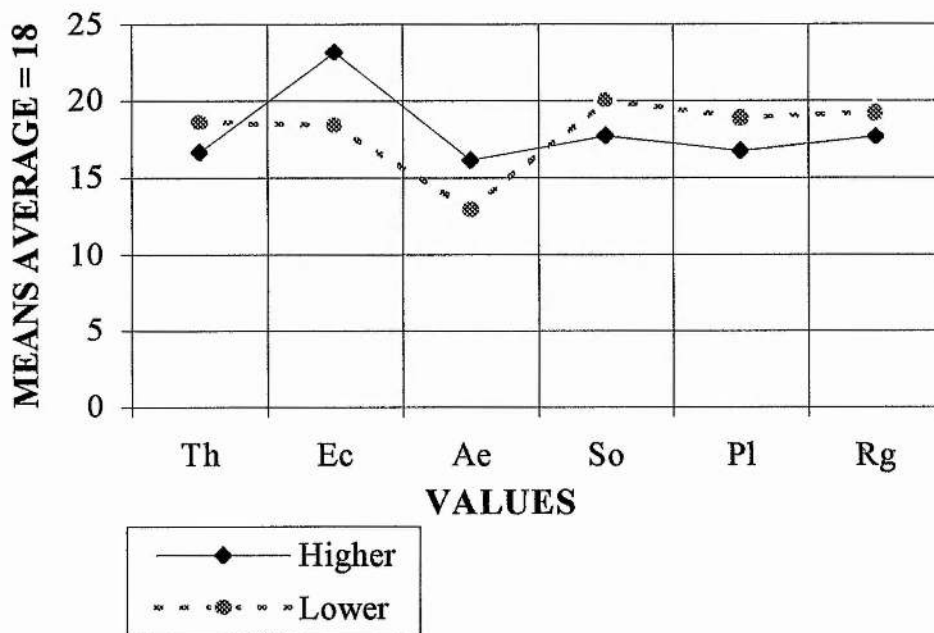
The above results indicate that the mean score of the Economic values of the more Economic group was highest amongst other scores within the group (23.17). Statistically, this means that the Economic value represents a distinguished type of value profile. The results also indicate that there are six significant differences between the two groups. The more Economic managers tended to be more Aesthetic and less Theoretical, Social, Political, and Religious than the less Economic managers. Table 7.35 shows the Economic value profile of Saudi executives.

**TABLE 7.35**  
**RANKING OF THE SIX VALUES WITHIN THE**  
**ECONOMIC VALUE PROFILE OF SAUDI MANAGERS**

<i>Measures</i>	<i>(1)</i> <i>Eco.V</i>	<i>(2)</i> <i>Soc.V</i>	<i>(3)</i> <i>Rlg.V</i>	<i>(4)</i> <i>Pol.V</i>	<i>(5)</i> <i>Theo.V</i>	<i>(6)</i> <i>Aes.V</i>
Means	23.17	17.71	17.62	16.73	16.62	16.12
Average	18 points					

Figure 7-4 is a comparison between the two value profiles of the more and less Economic values.

**FIGURE 7-4**  
**A COMPARISON BETWEEN**  
**THE MORE AND LESS ECONOMIC MANAGERS**



(3)

**EQUATION NO. 9**  
**THE AESTHETIC VALUE**

**49.13-**

$$[.515 TH + .369EC + .487PL + .507RG]$$

When the above equation was calculated, the following results were revealed:

**TABLE 7.36**  
**STATISTICS**

<i>Value</i>	<i>N</i>				<i>Percentiles</i>		
	<i>Valid</i>	<i>Missing</i>	<i>Minimum</i>	<i>Maximum</i>	<i>25</i>	<i>50</i>	<i>75</i>
<b>Aes.</b>	215	0	31.35	38.84	33.73	34.81	35.84

These scores were then used to divide subjects into three different groups, the more, average and the less Aesthetic managers as follows:

**TABLE 7.37**  
**GROUP CHARACTERISTICS**

<i>Estimated Limits</i>	<i>Group</i>	<i>Group Characteristic</i>
(31.35 – 33.73)	(1)	More Aesthetic managers
(> 33.73 & < 35.84)	(2)	Average Aesthetic managers
(35.84 – 38.84)	(3)	Less Aesthetic managers

In order to see whether the Aesthetic value will represent a distinctive value profile, the following statistical tests were conducted and are presented in Table 7.38.

Table 7.38 shows that the mean score of the Aesthetic value of the more Aesthetic managers was not highest amongst the mean scores of other values within the same group. This means that the Aesthetic value does not significantly represent an Aesthetic profile. The tests also manifested four significant differences between



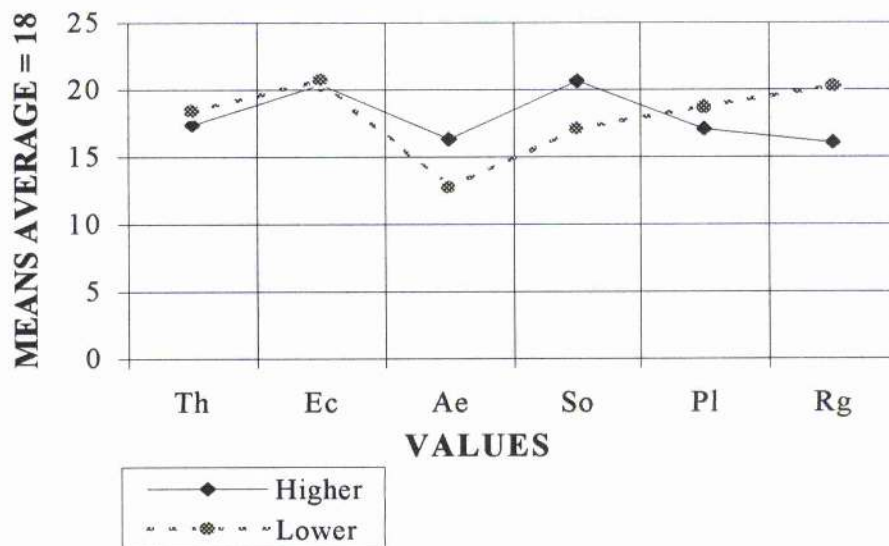
**TABLE 7.38**  
**GROUP STATISTICS**  
**MEAN DIFFERENCES**

<i>Value</i>	<i>More Aes.</i> <i>n=53</i>	<i>Less Aes.</i> <i>n=55</i>	<i>t</i>	<i>Sig.</i> <i>2-tailed</i>
Theoretical	17.4151	18.4182	-2.124*	.036
Economic	20.3774	20.7273	-.724	.452
Aesthetic	16.3396	12.7091	9.868***	.000
Social	20.6604	17.0727	9.902***	.000
Political	17.0943	18.7818	-4.209***	.000
Religious	16.0377	20.3091	-7.783***	.000

\*P < .05    \*\*\*P < .001

the two groups. The more Aesthetic managers placed greater emphasis on Social values, where the less Aesthetic group placed more emphasis on the Theoretical, Economic, Political, and Religious values. These differences are shown in Figure 7-5.

**FIGURE 7-5**  
**A COMPARISON BETWEEN**  
**THE MORE AND LESS AESTHETIC MANAGERS**





(4)

**EQUATION NO. 10**  
**THE SOCIAL VALUE**

**57.64 -**

$$[.490 TH + .610 EC + .470 PL + .489 RG]$$

The above equation was calculated, and the following results were obtained:

**TABLE 7.39**  
**STATISTICS**

<i>Value</i>	<i>N</i>				<i>Percentiles</i>		
	<i>Valid</i>	<i>Missing</i>	<i>Minimum</i>	<i>Maximum</i>	<i>25</i>	<i>50</i>	<i>75</i>
<b>Soc.</b>	215	0	34.29	42.93	37.70	38.87	39.78

These scores were then used to identify three different groups: the more, average and less scoring Social managers (Table 7.40):

**TABLE 7.40**  
**GROUP CHARACTERISTICS**

<i>Estimated Limits</i>	<i>Group</i>	<i>Group Characteristic</i>
(34.29 – 37.70)	(1)	More Social managers
(> 37.70 & < 39.78)	(2)	Average Social managers
(39.78 – 42 – 93)	(3)	Less Social managers

As explained before, the Social value will represent a significant profile if the mean score of the Social value of the more Social group is highest amongst the means of the remaining values in the same group. In order to determine whether or not the Social value distinctively represents a Social value profile, descriptive statistics as well as independent sample T Test between the more and less Social groups were measured and are presented in Table 7.41.

**TABLE 7.41**  
**GROUP STATISTICS**  
**MEAN DIFFERENCES**

<i>Value</i>	<i>More Soc.</i> <i>n=51</i>	<i>Less Soc.</i> <i>n=55</i>	<i>t</i>	<i>Sig.</i> <i>2-tailed</i>
Theoretical	17.6275	18.1818	-1.166	.246
Economic	19.3725	22.2000	-6.956***	.000
Aesthetic	16.0000	12.8545	8.201***	.000
Social	<b>21.0784</b>	<b>16.9455</b>	<b>12.634***</b>	<b>.000</b>
Political	17.5686	18.1091	-1.377	.171
Religious	16.2745	19.7273	-5.713***	.000

\*\*\*P < .001

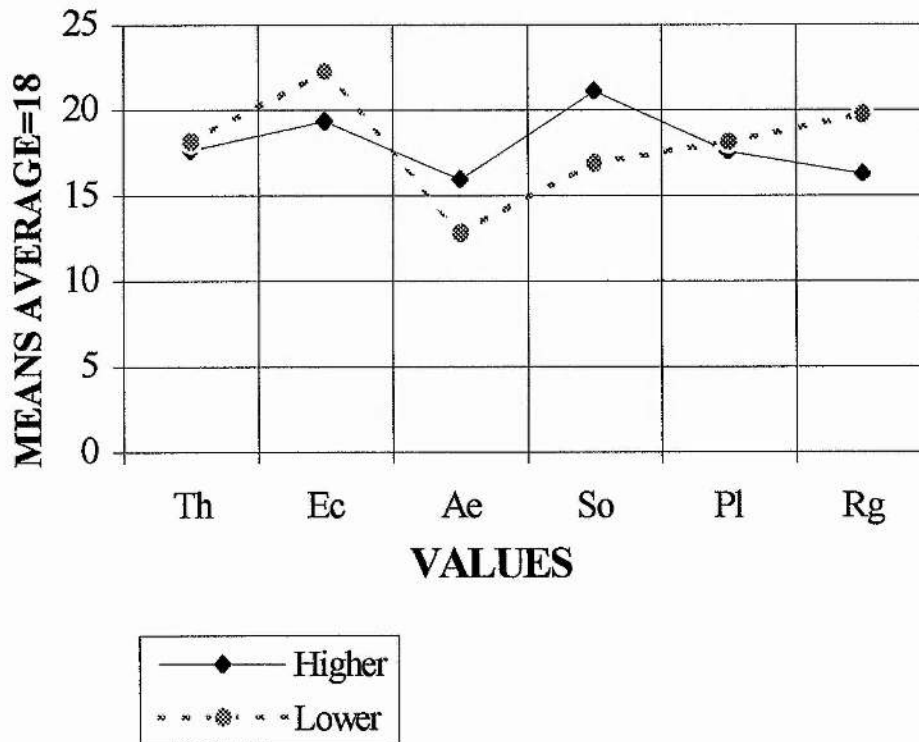
The statistical results indicate that the mean score of the Social value of the more Social group is highest among the means of the remaining values in the same group. As a result, it is safe to state that the Social value represents a distinctive managerial value profile. The T Test between the more and less Social groups revealed four significant differences. The more Social managers tended to place higher emphasis on the Aesthetic values, whereas the less Social group appeared to be more Theoretical, Economic, Political, and Religious than the more Social group. Although the more Social subjects were less Theoretical and Political than the less Social subjects, the differences between the two groups were not significant. Table 7.42 shows the ranking of the six classes of values of the Social value profile of Saudi executives.

**TABLE 7.42**  
**RANKING OF THE SIX VALUES WITHIN THE**  
**SOCIAL VALUE PROFILE OF SAUDI MANAGERS**

<i>Measures</i>	<i>(1)</i> <i>Soc. V</i>	<i>(2)</i> <i>Eco. V</i>	<i>(3)</i> <i>Theo. V</i>	<i>(4)</i> <i>Pol. V</i>	<i>(5)</i> <i>Rlg. V</i>	<i>(6)</i> <i>Aes. V</i>
Means	21.08	19.37	17.63	17.57	16.27	16.00
Average	18 points					

Figure 7-6 presents a comparison between the two value profiles of Saudi executives with more and less Social values.

**FIGURE 7-6**  
**A COMPARISON BETWEEN**  
**THE MORE AND LESS SOCIAL MANAGERS**





(5)

**EQUATION NO. 11**  
**THE POLITICAL VALUE**

**48.79-**

$$[.455EC + .431AES + .436SO + .386RG]$$

The above equation was computed and revealed the following results:

**TABLE 7.43**  
**STATISTICS**

<i>Value</i>	<i>N</i>				<i>Percentiles</i>		
	<i>Valid</i>	<i>Missing</i>	<i>Minimum</i>	<i>Maximum</i>	<i>25</i>	<i>50</i>	<i>75</i>
<b>Pol.</b>	215	0	26.34	34.26	30.05	30.93	31.94

These values, hence, were used to divide subjects into three different groups.

**TABLE 7.44**  
**GROUP CHARACTERISTICS**

<i>Estimated Limits</i>	<i>Group</i>	<i>Group Characteristic</i>
(26.34 – 30.05)	(1)	More Political managers
(> 30.05 & < 31.94)	(2)	Average Political cases
(31.94 – 34.26)	(3)	Less Political managers

In order to assess whether or not the Political value distinctively represents a Political value profile, the mean scores along with the T Test between the more and less Political groups were computed and presented in Table 7.45.

As Table 7.45 indicates, the mean score of the Political value of the more Political group was not highest amongst other scores in the same group, and hence it does not represent a distinguished Political profile. The Table also shows that there



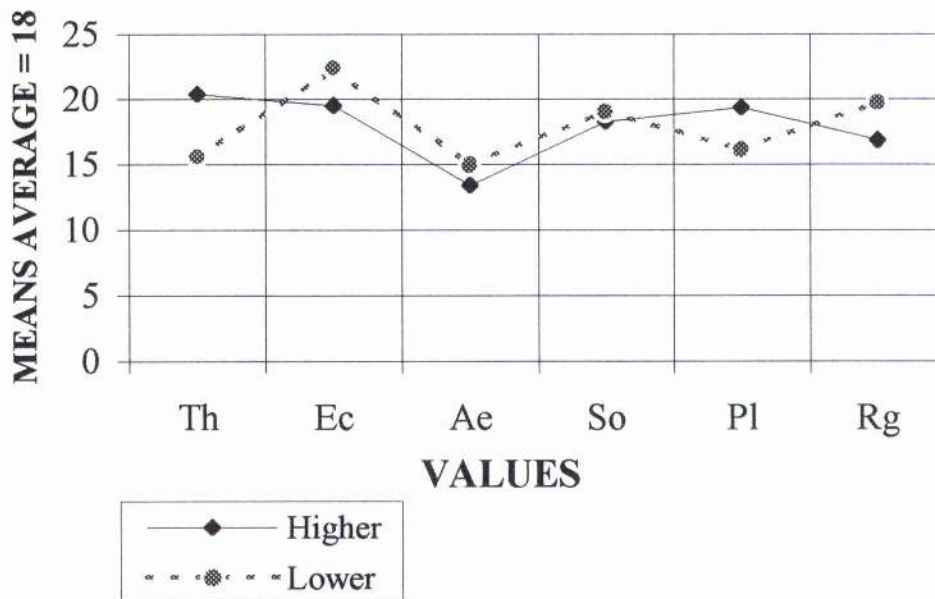
**TABLE 7.45**  
**GROUP STATISTICS**  
**MEAN DIFFERENCES**

<i>Value</i>	<i>More Pol.</i> <i>n=52</i>	<i>Less Pol.</i> <i>n=55</i>	<i>t</i>	<i>Sig.</i> <i>2-tailed</i>
Theoretical	20.3846	15.6000	13.964***	.000
Economic	19.5192	22.4000	-7.130***	.000
Aesthetic	13.4231	15.0545	-4.041***	.000
Social	18.2885	19.0545	-1.977*	.05
Political	19.4231	16.1091	9.783***	.000
Religious	16.8654	19.7818	-5.216***	.000

\*P < .05    \*\*\*P < .001

are six significant differences between the two groups. The more Political managers appeared to be more Theoretical and less Economic, Aesthetic, Social, and Religious than the less Political subjects. These differences are depicted in Figure 7-7.

**FIGURE 7-7**  
**A COMPARISON BETWEEN**  
**THE MORE AND LESS POLITICAL MANAGERS**



(6)

**EQUATION NO. 20**

**THE RELIGIOUS VALUE**

**85.52-**

$$[.077TH + .121EC + .063AE + .149PL + .791TH + .593EC + .733AE + .750SO]$$

It was pointed out that the Religious value was best explained by eight values from both the personal and managerial value profiles. This part of the religious equation was calculated and revealed the following results:

**TABLE 7.46**  
**STATISTICS**

<i>Value</i>	<i>N</i>				<i>Percentiles</i>		
	<i>Valid</i>	<i>Missing</i>	<i>Minimum</i>	<i>Maximum</i>	<i>25</i>	<i>50</i>	<i>75</i>
<b>Rlg.</b>	215	0	59.62	75.45	65.32	67.13	69.51

These scores were then used to identify three different groups: the more, average and less Religious managers. These groups are illustrated in Table 7.47 as follows:

**TABLE 7.47**  
**GROUP CHARACTERISTICS**

<i>Estimated Limits</i>	<i>Group</i>	<i>Group Characteristic</i>
(59.62 – 65.32)	(1)	More Religious managers
(> 65.32 & < 69.51)	(2)	Average Religious managers
(69.51 – 75.45)	(3)	Less Religious managers

As indicated before, the Religious value profile will be considered significantly represented by the sample subjects if the mean score of the Religious values of the more Religious group is the highest amongst other values in the same



group. The mean scores as well as the T Test between the mean scores of the more and less Religious groups were computed and presented in Table 7.48.

**TABLE 7.48**  
**GROUP STATISTICS**  
**MEAN DIFFERENCES**

<i>Value</i>	<i>More Rlg.</i> <i>n=53</i>	<i>Less Rlg.</i> <i>N=54</i>	<i>t</i>	<i>Sig.</i> <i>2-tailed</i>
Theoretical	16.3774	19.6852	-8.898***	.000
Economic	19.8302	20.8333	-2.361*	.02
Aesthetic	13.4340	15.3704	-5.889***	.000
Social	18.0566	19.9444	-4.967***	.000
Political	18.5283	17.7222	1.962*	.05
Religious	21.7358	14.4074	19.103***	.000

\*P < .05    \*\*\*P < .001

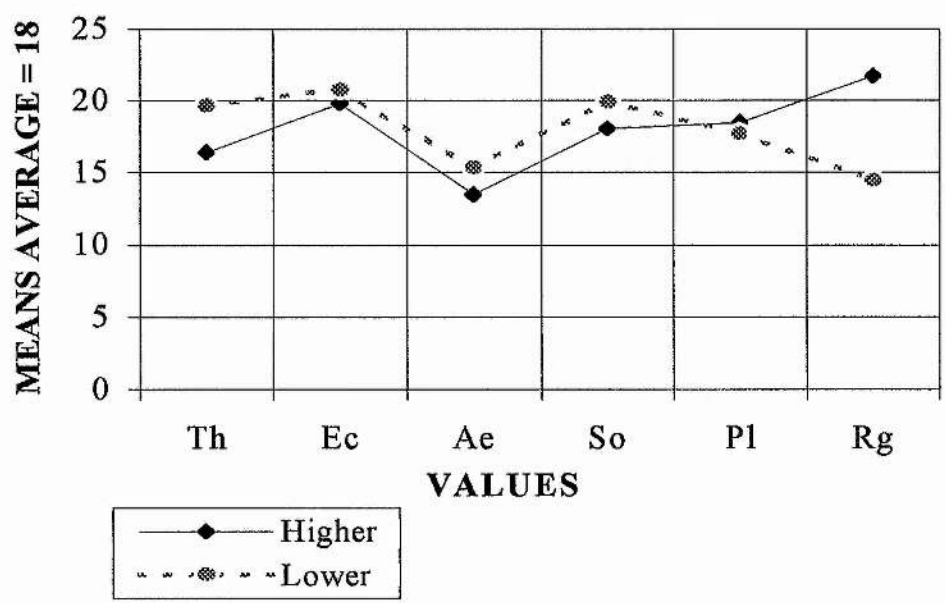
The above Table indicates that the mean score of the Religious value of the more Religious group is highest among the mean scores of other values within the same group. Hence, it is safe to state that the Religious value represents a distinctive Religious value profile. The Table also indicates that there are six significant differences between the two groups. The results show that the more Religious managers appeared to be more Political and less Theoretical, Economic, Aesthetic and Social than the less Religious group. Table 7.49 shows the ranking of the six classes of values of Religious profile of Saudi executives.

**TABLE 7.49**  
**RANKING OF THE SIX VALUES WITHIN THE**  
**RELIGIOUS VALUE PROFILE OF SAUDI MANAGERS**

<i>Measures</i>	<i>(1)</i> <i>Rlg.V</i>	<i>(2)</i> <i>Eco.V</i>	<i>(3)</i> <i>Pol.V</i>	<i>(4)</i> <i>Soc.V</i>	<i>(5)</i> <i>Theo.V</i>	<i>(6)</i> <i>Aes.V</i>
Means	21.74	19.83	18.53	18.06	16.38	13.43
Average	18 points					

Finally, Figure 7-8 illustrates the differences between the two profiles of the more and less Religious executives.

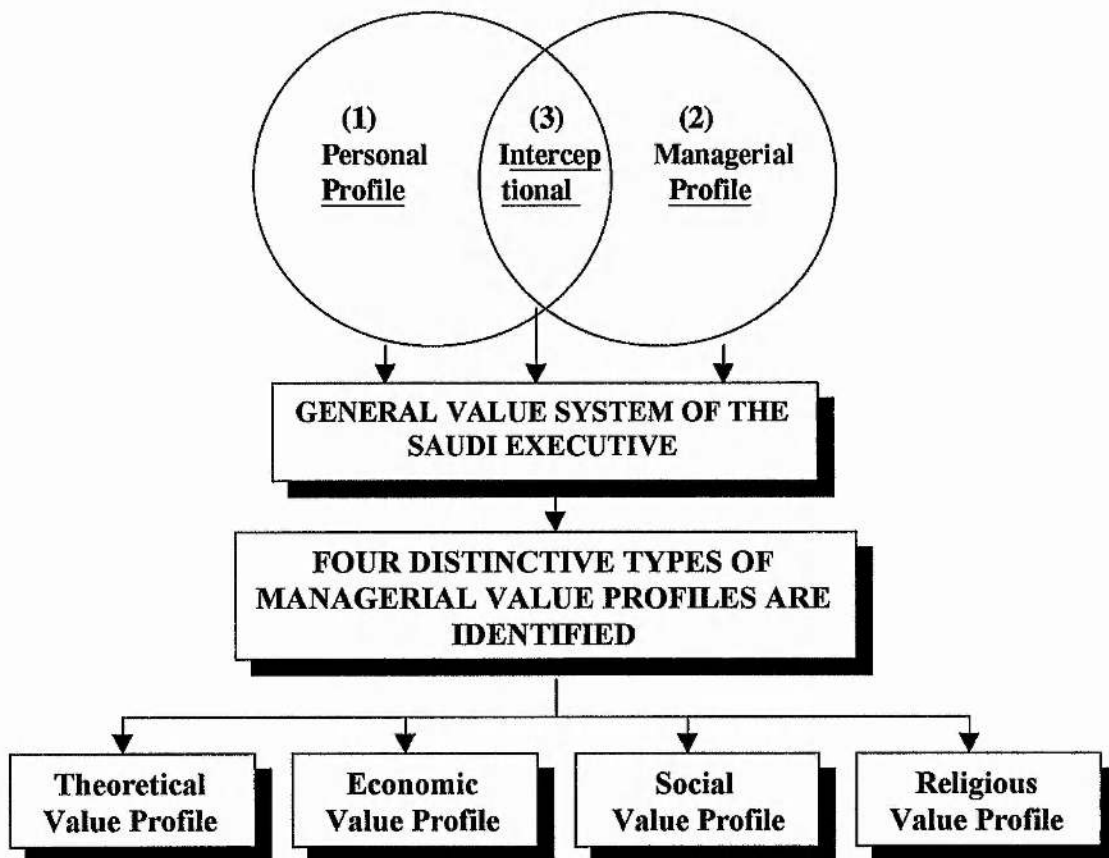
**FIGURE 7-8**  
**A COMPARISON BETWEEN**  
**THE MORE AND LESS RELIGIOUS MANAGERS**





The previous analysis revealed that only four of the six classes of Spranger's values were found to be significantly represented by Saudi executives. As a result, four managerial value profiles with different ranking orders of the six classes of values are identified. These profiles are illustrated in Figure 7-9.

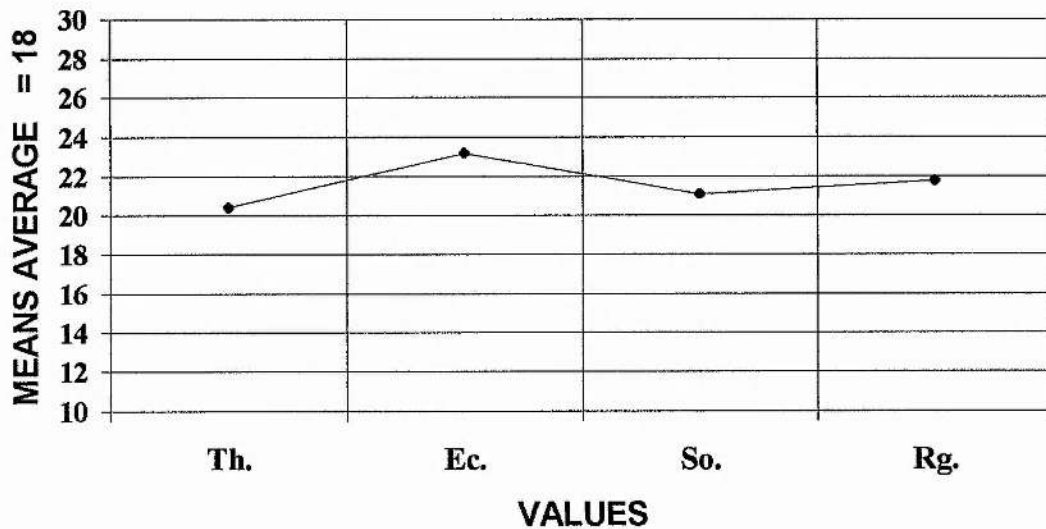
**FIGURE 7-9**  
**THE FOUR DISTINCTIVE VALUE PROFILES OF SAUDI EXECUTIVES AS WELL AS THE RANKING ORDER OF EACH PROFILE**



The four distinctive value profiles are contrasted in Figure 7-10. As the Figure shows, the Economic profile is the highest represented amongst other profiles, while the Religious profile comes second, the Social profile third, and the Theoretical profile is lowest.

It is to be hoped that the six regression equations which were used to identify the distinctive value profiles of Saudi executives will provide useful guidelines to those firms, public or private, in assessing the types of value profiles their managers, as well as their new recruits, hold. In order to recognise the type of value profile the manager or the candidate represents, the questionnaire used in this study should be completed, and his or her scores should be analysed using the six significant equations (equations 7-11, Table 7.22 & equation 20, Table 25). The resulted scores could then be used to formulate his or her managerial value profile.

**FIGURE 7-10**  
**A COMPARISON BETWEEN THE FOUR**  
**DISTINCTIVE VALUE PROFILES**



### 7.7.6 Reliability Test for the Managerial Value questionnaire

The managerial value instrument (part three of the questionnaire) was tested to assess its reliability as a significant tool in identifying the managerial value profiles of Saudi executives. To test the internal consistency of answers given by the respondents, a total of 107 of the respondents was randomly selected and the data gathered from their answers were used to calculate the six regression equations that were used previously in the analysis of the six managerial values. The results obtained were satisfactory, especially as each equation was calculated using data from almost half of the respondents. The achieved split-half and correlation coefficients between the predicted and actual scores for the six managerial values are as follows:

**TABLE 7.50**  
**SPLIT-HALF AND CORRELATION COEFFICIENTS**  
**BETWEEN THE PREDICTED AND ACTUAL SCORES**  
**FOR THE SIX VALUES**  
**(N = 107)**

<i>Values</i>	<i>Split-half</i>	<i>Correlations</i>
Theoretical	.86	.80
Economic	.87	.79
Aesthetic	.73	.61
Social	.80	.73
Political	.69	.57
Religious	.92	.86

## **CHAPTER EIGHT**

### **THE DISCUSSION**



## **CHAPTER EIGHT**

### **THE DISCUSSION**

#### **8.1 INTRODUCTION**

This chapter will focus exclusively on analysing the results discussed in the previous chapter.

The main purpose of this thesis was to explore the value profiles of Saudi executives in both their personal and managerial lives, and to examine the extent to which it is possible to classify the value profiles of Saudi executives in the business environment. This study further attempted to explore the relationship between personal and managerial values and specific personal and organizational variables. To this end, five research questions were tested.

#### **8.2 DISCUSSION OF THE RESULTS**

The results of the five questions tested in the previous chapter will be discussed in detail.

##### **8.2.1 RESEARCH QUESTION 1:**

The first research question concerned the primary responses of the different groups of Saudi executives to the six values in both their personal and managerial lives. In the test of question 1, the statistical results indicate that the different groups of Saudi executives except those on the top level (Presidents, Vice Presidents) had similar ranks in the six personal value dimensions and similar ranks in the six managerial values across their personal and organisational characteristics. Several exceptions, however, were noted among the categories of each group.

The results indicated that almost all Saudi executives included in the sample tended to place high emphasis on Economic goals (e.g., the market share, sales increase, profit maximisation, etc). This finding may reflect the rapid economic transformation that has been taking place in S.A. This finding is also consistent with the previous suggestion that the main goal of top managers in rapidly developing societies is to create wealth, and techniques to collect that wealth (Patai, 1971; Ali, 1985; Altorki, 1987). In their personal life, however, economic issues were not found to be as important by more mature Presidents, Administrative Managers, and Production Managers who had not completed their college education. These managers were found to be most oriented towards Religious values (conservitives). Generally, this focus can be explained by the dominance of Islam in almost every aspect of life in Saudi Arabia. Another reason may be the difficulty for more mature executives to sacrifice their religious beliefs because of their early childhood traditional education.

Although Religious values ranked second among the Saudi executives' priorities in their personal life (except for those mentioned above), the Religious preferences were less attractive to majority of these executives in their managerial life. These managers scored third for the Religious values in the managerial profile. However, several exceptions were noted; more mature managers, for example, who are involved in Marketing, Production, Sales and Purchasing Departments were found to be more dominated by their Religious beliefs and ranked them second highest. This high concern for Religious issues could also be explained by the role of the Islamic teachings in Saudi culture. Another reason behind these high Religious attitudes may be due to the late establishment of the Ministry of Education in 1953. Before this time, managers who had a low educational level received intensive Religious education during their early years at the mosques. Higher educated managers reported

another exception when their Theoretical priorities took precedence over their Religious choices. The reason for this may be that Saudi managers of today are highly influenced by Western ideas and values through mass media, extensive travel, studying abroad and through courses that are strongly influenced by Western management theories within Saudi universities (Yavas et al., 1996). Thus, the higher educated (M.A., Ph.D. degrees) the Saudi executive, the more careful he seems to be about facts and logic, and systemising his knowledge is one of his main aims. It could therefore be suggested that educational factors have had an influence on the Religious values of new generation Saudis (Altorky, 1987).

With respect to Social preferences, the results showed that Social issues occupied third place among the managers' preferences in their personal life, where they were second among their managerial priorities. However, two exceptions were found: the care of society and Social issues seemed to be less attractive than the Theoretical preferences to the younger (30-39) and more educated managers. These managers have given priority to Theoretical problems over their Social duties and ranked their Social interests in fourth place in both their personal and managerial lives. Older executives, especially those of fifty years or more, were found to be more concerned about Religious matters than about their Social duties. These managers scored second for their Religious preferences and third for Social interests in their managerial life. These findings also support the idea that the younger and more highly educated the Saudi executive is, the more he is influenced by modern and Western values and methods, while the older managers tend to maintain the Religious and traditional values that have been learned throughout their lives.

Regarding Political values, the results indicate that in their personal lives, Saudi executives tend to show a low interest in Political attitudes and ranked them

fifth among other priorities. These managers seem to be more Political at work and scored fourth for this dimension. Interestingly, an exception was found to this finding suggesting that younger managers (30-39) were more Politically oriented in their managerial practices and scored third for this value. In addition, older managers (50 years or more) appeared to be less attracted to Political issues in the work place. These managers gave greater attention to the Economic, Religious, Social and Theoretical interests over Political attitudes which scored fifth with these managers. These findings may reflect the fact that younger managers are more interested in climbing up the organisational hierarchy. Another reason behind this high Political orientation is the nature of the executive's responsibilities toward his organisation. For example, an executive is responsible for representing his organisation to external community, for setting out plans, for making important decisions, and for solving managerial problems. Competitive circumstances also seem to be one important factor behind the high Political orientation of the young Saudi executives at work. It was noted before that young Saudi executives were more enthusiastic than older managers towards Western ideas and values, which emphasise competence values (Political) over traditional (Social) and Religious attitudes (Ali, 1985).

The low orientation placed on Aesthetic aspects by Saudi executives in both their personal and managerial lives does not reflect the importance of this dimension to some of the organisational jobs (e.g., design of products, office appearance etc). This finding also suggests that government efforts were not enough to improve the artistic attitudes of the Saudi individuals. If these attitudes are to be changed, it appears that more programmes and efforts need to be carried out by both the government and organisations in order to enhance and strengthen the artistic orientations of Saudi managers.



These findings suggest that the Economic, Religious, and Social values dominate Saudi executives' orientations in both their personal and managerial lives. The results also indicate that Theoretical orientations seem to influence the decision making of well-educated Saudi executives (college degree or more) in both their personal and managerial lives.

The purpose of this question was to enable discussion of the initial responses of the sample subjects with different personal and organisational characteristics, to the six values in both personal and managerial profiles.

The results of this question suggest that although Islam has its influences on every aspect of life within Saudi society, the majority of Saudi managers seem to be more Economic and placed highest emphasis on the economic outcomes of their decisions in both their personal and managerial lives. Such findings clearly reflect the rapid growth of Saudi society and the Saudis' interests to adopt more Western-style business ideas and methods. This finding also reflects the government's efforts to facilitate the economic development in S.A.

#### **8.2.2 RESEARCH QUESTION 2:**

the main objective of this question was to ascertain any differences between Saudi managers of top and middle levels and also between those in listed and unlisted companies in terms of their personal and managerial value profiles. The analysis showed that top managers are more Political and less Economic in their personal profile. In their managerial profile, however, top managers are more Theoretical, Social, and Political but less Economic than middle level managers. Although it is clear there is some risk involved in drawing inferences from such apparently anomalous results, the following are possible explanations:

- 1) Most of the top level managers belong to the age of 40 years and over, and this group were found to place more emphasis on Religious values (conservative) in their personal and managerial lives.
- 2) The middle level managers are mainly responsible for the implementation of the organisations policies and strategy, and their personal promotions depend directly on the economic results of their managerial decisions.

With respect to managers in listed and unlisted companies, the results showed that Saudi managers in listed organisations are more Economic and less Religious in their personal profile and are more Economic but less Political in their managerial profile than those in unlisted firms (private). The inference could thus be made that the selection of these managers to run listed (joint stock) companies was appropriate, because they show correspondingly higher emphasis on Economic values in their managerial lives than those in private companies. There are two possible reasons for these results:

- 1) These managers were found to be more highly educated than their counterparts in private organisations (unlisted) and had therefore probably received part of their education in the West or at business schools in S.A. which espouse Western ideas and theories that emphasise market values over other values.
- 2) These managers could also be aware of their accountability to stockholders to maximise profits.

#### **8.2.4 RESEARCH QUESTION 3:**

This question tried to discover whether personal and organisational factors would influence personal and managerial values of Saudi executives, or whether these executives would share similar responses to these values. In other words, the question was an attempt to discover the relationship between the six values and several personal

and organisational variables. To ensure the accuracy of the results, this question was tested using both One Way Analysis of Variance (ANOVA) and Kruskal Wallis tests. The significance of this question is based on the premise that the responses of Saudi executives to personal and managerial values may differ as personal and organisational variables differ.

Tables 7.16,17 in the previous chapter showed a number of significant differences between personal and managerial values of Saudi executives and the following personal and organizational variables: manager's position, age, educational level, years of managerial experience, nature of business activity, and size of firm. The discussion of these differences will be presented next.

(1) **Manager's position.** The results revealed nine significant differences between the categories of the variable 'manager's position' and value orientations in both their personal and managerial profiles. With respect to the personal values, the analysis revealed five significant differences between the variable 'manager's position' and the following personal values: Theoretical, Economic, Social, Political, and Religious values. Meanwhile, four significant differences were found between the variable 'manager's position' and the following managerial values: Theoretical, Economic, Political, and Religious.

In both personal and managerial profiles, Presidents, Vice Presidents, Administrative Managers, and Finance Managers tended to place a higher emphasis on Theoretical issues than managers from other departments. This high orientation may reflect the high percentage of well-educated managers in the sample (77.2% with a college degree or more). This concern may also reflect the nature of these managers' jobs. Their responsibility lies with organisational success and growth, which may require them to use as much accurate and scientific data as possible when

making their decisions. Hence, the type of knowledge and information needed for their decisions might be considered as a major factor affecting the Theoretical attitudes of such managers in the workplace.

Although most of the Saudi executives were found to place higher emphasis on Economic values, the results indicate that some groups were more Economic than others in the sample. Finance Managers, Marketing Managers, and Production Managers were found to place more importance on Economic issues in both their personal and managerial decisions than other managers did. This finding may reflect the importance of these departments to the achievement of the economic goals in any business firm. Therefore, the nature of the tasks as well as the objectives of these departments might influence their members. The importance of economic goals to the Saudi executives may also be due to the competitive nature of Saudi markets, especially after the second Gulf War which had a negative impact on the economic conditions in the region.

The analysis revealed that more mature Presidents (50 years or more), Personnel Managers, and Sales Managers were more influenced by Social attitudes in their personal decisions. This finding also appears to be consistent with the general belief that value orientations of older managers seem to be more traditional than those of younger managers. This finding also suggests that these managers were Socially influenced by the nature of their jobs. In their day-to-day managerial transactions, Presidents have more contact with both internal and external environments in order to accomplish their tasks and represent their organisations in society more than managers do in other levels. Where almost all objectives of the personnel department are Social in nature, Sales Managers are largely dependent on their personal contacts to accomplish their departmental assignments.



The analysis showed that Presidents, Vice Presidents, Administrative, and Finance Managers were more Political in both their personal and managerial lives than other executives in the sample. This finding may reflect the general belief that these managers are considered more responsible for preserving and applying organisational laws and codes and are also more responsible to negotiate their organisational policies with the external environment (i.e., customers, suppliers, competitors, government, etc). In addition, the high motives of achieving acceptable levels of personal success and growth may play an important role in strengthening the Political attitudes of such managers. These suggestions could explain the high Political values of Saudi executives in both value profiles.

Although the results showed that Saudi executives placed a higher emphasis on Religious values in their personal and managerial profiles, Production Managers, Sales Managers, and Purchasing Managers were found to be more Religious than other managers in the sample. This finding suggests that in addition to its influence on the daily life of people in S.A, Islam also influences the business environment within the Kingdom. Furthermore, this finding may reflect the fact that Production Managers are careful not to produce or offer anti-religious products or services, while Sales and Purchasing Managers were more aware that they were producing anti-religious contacts and relationships in order to accomplish their tasks. It is realised that the Islamic environment in S.A has its influences upon the religious awareness of managers which help strengthen their attitudes towards their moral responsibilities in the workplace.

**(2) Manager's age.** Four significant differences were noted between the variable 'manager's age' and the Economic and Political values in his personal profile, and the Political and Religious values in the work place. Younger managers were more

Economic in their personal life than older managers, which may be due to three reasons: (1) the keen interest of young managers to achieve economic gains, especially after the regional crises and its consequent economic conditions; (2) these managers were found to have strong Political orientations in both their personal and managerial decisions as a result of the new competitiveness which has emerged in the business environment; and (3) these managers were found to be more educated than other managers. Consequently, these managers are more likely to be enthusiastic about applying modern and Western knowledge in their day-to-day managerial transactions (Ali and Al-Shakis, 1985, 1991). Older executives were found to be more Religious than younger managers in the workplace. This finding is consistent with the general orientation of people in Saudi Arabia. As mentioned before, Islam dominates life in S.A. So, it could be suggested that older Saudi executives (50 years or more) especially those who received traditional education in their early ages, find it more difficult to to change. As Hofstede (1991) puts it:

**“Development psychologists believe that by the age of 10, most children have their basic value system firmly in place, and after that age, changes are difficult to make. because they were acquired so early in our lives.” (Hofstede, 1991, p. 8).**

These exeucitves are thus more religiously oriented than younger managers who started their education at modern schools.

**(3) Manager's level of education.** The results showed four differences between the variable 'level of education' and the Theoretical and Religious values in both personal and managerial lives. The statistical results showed a positive correlation between the variable 'level of education' and the Theoretical values at the .01 level (2-tailed) in both personal and managerial profiles. As a result, higher educated executives were found to be more Theoretical in both their personal and managerial value profiles. The

more education a manager has the more knowledge he gains and the more accurate decisions he makes. This finding may reflect the importance of scientific knowledge and information to strategic decisions within business firms. Meanwhile, when the variable 'educational level' is correlated with the personal and managerial Religious values, the results showed negative correlations at the .01 level (2tailed). As a result, these managers tended to show lower Religious preferences than managers with lower educational levels do in both profiles of values. The younger and the more educated the Saudi executive is, the more enthusiastic this manager is towards the adoption of modern and Western ideas and values.

**(4) Managerial experience.** Three significant differences were noted between the classifications of the variable 'managerial experience' and the Economic and Social values in the personal profile, and the Political values in the managerial pattern. Managers who had been in management for less than 10 years tended to show a higher interest in Economic issues than more experienced managers. Moreover, managers with more than 10 years of experience appeared to be more socially oriented in their personal profile than other managers in the sample. These findings suggest that managers with less than 10 years of experience are more concerned about the economic goals of their organisations (e.g., existence and duration of their organisations, customers, and profit maximisation). This finding is reasonable and consistent, especially as these managers were found to be younger and more educated than managers from other categories. This finding also reflects the overall Economic orientation in the Kingdom and the hypothesis that these managers are expected to be dominated by Economic attitudes not only in the workplace, but also in their personal lives because of the new regional conditions which might led to the enhancement of the competitive and power orientations (Political) of Saudi managers, and are apparent

in the adoption of more modern, Western ideas and methods. The results also indicate that managers who have been in management for more than 10 years are more traditional and humanistic (Social) than the less experienced managers. This finding suggests that the more years of experience a manager has, the more contact and relationships the manager has with different parties in and outside the organisation, consequently making the manager more socially aware.

The statistical results revealed that executives with less than 5 years of managerial experience tended to be more Political than other managers. This finding suggests that managers who are relatively new in management have higher Political values than those who have been in management for a longer time. Hence, these managers are expected to be more interested in proving their qualifications as a means of achieving advancement and personal success.

**(5) Type of business.** With respect to business activity, six differences were found between the variable 'type of business' and the Theoretical and Political values in both personal and managerial profiles, the Religious value in the personal profile and the Economic value in the managerial value pattern. Managers from manufacturing, financial and diversified firms tended to show higher Theoretical and Political orientations in both patterns of values than managers from other companies. This may be due to two reasons. Firstly, the nature of work in such firms depends largely on the accuracy of scientific data needed for their strategic decisions and therefore their personal practices are much integrated into their managerial lives than managers in other firms. Secondly, this finding reflects the efforts exerted by the government to improve and expand the educational sector in the Kingdom (more than three-quarters of the sample subjects have a Bachelor's degree or higher (77.2%). This finding is also consistent with the fact that the open market and the high levels of competition in



Saudi markets have had influences upon Saudi managers to maximise their profits, and achieve organisational and personal growth.

In addition, managers from agricultural, finance and insurance, transportation, and construction firms tended to place more significance on Religious values in their personal lives and on economic issues in the managerial environment. These findings are consistent with the fact that Islam permeates the Saudi context. These managers, however, were found to be 50 years of age or more. Thus, these managers are expected to be more conservative than younger managers. Regarding the relatively high emphasis placed by these managers on Economic values this may reflect the huge investment in such types of businesses, and the strong desire of these managers to achieve acceptable levels of outcome from such investments.

**(6) Size of firm.** Three significant differences were noted between the variable 'size of firm' and the personal Economic values, and the managerial Aesthetic and Political values. Managers from medium and large organisations tend to give higher regard to Economic values in their personal lives than those of small firms. This finding suggests that personal decisions of Saudi managers, especially those of medium and large business firms, are more influenced by their work environment than those of small firms. This finding may also reflect the general belief that the free business environment and the government's measures to facilitate economic development have had an impact upon Economic attitudes of individuals in S.A. These managers were also found to be more Political and Aesthetic at work than those of small firms. Clearly, this finding supports the suggestion that in Saudi Arabia, the open market and the high level of competition have an important impact on the Political attitudes of Saudi managers in business organisations. These managers were also found to be more Aesthetic than those of small firms. This finding may suggest that artistic aspects are

more important to managers of larger firms because of the following reasons: a) the role of aesthetics in designing products in large manufacturing firms, b) its importance in terms of style and fashion, especially in large decorating, architectural, and clothing companies, and c) the fact that appearance may be considered a means of reflecting the importance of a manager's job in large corporations.

The main objective of this question was to discover whether there is a relationship between personal and managerial values of Saudi managers and some personal and organisational variables. The results showed that managers with different personal and organisational characteristics differed in their responses to some personal and managerial values, suggesting therefore that the influence of personal and organisational characteristics upon value profiles of managers should be viewed as exploratory and suggestive (England, 1974). However, the above results do not properly explain the resultant effects of different characteristics on managers' personal and managerial value profiles.

#### **8.2.3 RESEARCH QUESTION 4:**

The fourth research question concerned the overall value profiles of Saudi executives as a group. The main aim of this question was to identify and discuss the overall value profiles of the average Saudi executive, and to examine the extent to which are these profiles similar at the typical executive level.

The statistical results (chapter 6) revealed two different value profiles: the "personal value profile" and the "managerial value profile". These two profiles represent two different rank orders of the six classes of values (Theoretical, Economic, Aesthetic, Social, Political, and Religious). In each profile of values, however, managers showed different levels of preferences towards the six value dimensions. The main characteristics of these profiles are presented as follows:

When responses from 215 Saudi managers were analysed as a group, the results showed that Saudi managers responded differently to the six value dimensions. In both personal and managerial profiles, however, average Saudi executives scored highest on Economic values. These high scores may be attributed to the increase in oil revenues and the following era of prosperity, as well as the high economic expectations of Saudis (Ali and Al-Shakis, 1991; Lamb, 1987). The role of oil revenues in Saudi Arabian economy has been to build the infrastructure necessary for the private sector to be able to expand and develop. The expansion of private sector will in turn provide training opportunities for future managers thus accelerating the growth of the private sector. Clearly, the above reason has contributed significantly to the strength of economic aspects among Saudis, not only in the business environment but also in their personal practices.

With regard to Religious values, the literature expected that Saudi executives would place the highest emphasis on Religious values. The analysis of the results, however, showed that in their personal value profiles, Saudi executives scored second highest for their Religious values, and third in their managerial pattern. The importance of the Religious dimension may stem from the emphasis the development plans placed upon maintaining the Religious and moral values of Islam. The reasons behind the high Religious interests of Saudi executives may also be due to the following reasons:

- A- Islam was nominated as the State religion in the first article of the Basic Government System. As a result, various religious institutes were established to graduate judges, religious scholars and Arabic linguists;
- B- The historical events and their role in strengthening the Islamic attitudes and beliefs of peoples in the Arabian Peninsula; and

- C- The influence of Islam on almost all aspects of Saudi society and into the various environments of the Kingdom (e.g. economic, social, political, cultural, etc).

Consequently, Saudi executives within business firms found themselves responsible for the preservation and implementation of Islamic values, not only in their personal lives but also in their business environments.

Concerning Social values, the results indicated that Saudi managers are more socialised in their managerial environment than in their personal lives. The Social value scored third among personal values, and second in the managerial profile. Although previous studies have suggested that modernisation and economic development have had a significant impact on Saudis' traditional and Social values (Altorki, 1987; Ali, 1988; Alnimir and Palmer, 1982), this finding suggests that Saudi managers are still dominated by the traditional and Social values long inherent in the society of the Arabian Peninsula. Moreover, this finding is consistent with the assumption that the successful manager is one who is always ready to lend a helping hand and who is committed to his extended family and community (Ali and Al-Shakis, 1991). The strong Social attitudes of Saudi executives at work may also be due to the following reasons:

- A- The cultural factors of Saudi society (i.e. religion, historical events, traditions etc) play an important role in influencing managers when making their personal and managerial decisions (Sharabi, 1988).
- B- As an outcome of "tribalism", Saudi managers and subordinates want to feel that they are part of their organisations (Hofstede, 1980; Al- Moalmy, 1991).
- C- Although social development is the government's responsibility, Saudi managers feel that the private sector is responsible for contributing to the development of



society (i.e. protecting the environment in which the organisation operates, employing and training Saudi nationals, providing work opportunities for the disabled, etc).

The high emphasis placed by Saudi managers on Social issues in both personal and managerial environments reflects the fact that Saudi managers adhere to the values and traditions of the society.

Regarding the Theoretical values , the analysis of the results showed that the Theoretical dimension scored fourth with Saudi managers in terms of personal decisions and fifth among their managerial preferences. Although the Theoretical dimension scored fifth among managerial values, an exception was noted to this finding indicating that a number of Saudi executives (e.g., Presidents, Finance Managers) placed greater emphasis on the importance of scientific knowledge and data to their managerial decisions. The function of top managers (Presidents of corporations etc.) for example, is to make strategic decisions for their organisations. These decisions should be based on accurate information and scientific data passed on to them from those in the middle levels who are required to deliver such information and data for such purposes. This finding suggests that the nature and importance of managerial decisions are different from those in their personal lives. The higher Theoretical attitudes of these managers may also be due to the following reasons:

A- The rapid expansion in educational sectors in S.A (general education, technical and professional education, and higher education,) as well as government scholarships provided for Saudi citizens to study abroad. As a result of the government's educational policies, a large number of Saudis have graduated and occupy leading positions in both public and business firms.

B- The great emphasis placed by the Saudi system of labour and workforce on the employment of Saudi nationals in top managerial positions through the process of "Saudisation". As a result of such an emphasis, the opportunity was given to Saudis to supervise foreign and expatriate workers and expertise, which in turn enabled them to acquire various types of experience and knowledge.

Undoubtedly, the above finding reflects the fact that Saudi managers are very careful to ensure that they have access to the appropriate knowledge and information in both their personal and managerial lives in order to obtain the desired outcomes.

Concerning the *Political values* , the analytical results (chapter 7) showed that in their personal decisions, Saudi managers scored fifth for the Political dimension, but a higher regard was noted for the same dimension in the managerial environment, where it is fourth. Although the region has witnessed dramatic political and economic problems since 1980, Saudi executives showed low Political interests in their personal life. This result suggests that Saudis believe that Political matters are the government's business and that all news and reports delivered by the media and press reflect the official point of view. Saudi political orientations, however, are expected to increase as they receive more and more satellite channels, which reflects the democratic stance of the Saudi government in permitting citizens to receive news and reports of domestic and international events from different foreign sources.

In general, the results showed that Saudi executives tended to show higher Political orientations in their managerial career than in their personal life, which could be attributed to the following causes:

A- Managers at top levels are in positions of power and are required to represent their organisations in negotiations with the external environment (i.e. government, suppliers, competitors, customers. etc).

- B- When making their strategic decisions, top managers have to take into account the impact of their decisions upon their future within the organisation and on their negotiating capabilities (Political orientation) with the external environment (e.g., government, suppliers, competitors, stakeholders, etc) (Fritzsche, 1991).
- C- In the private sector, managers believe that attaining higher managerial positions (high Political value) depends largely upon their success in making efficient decisions that are important for their organisations' success and growth.

The above finding reflects the fact that the business environment in S.A has more chances for development and the enhancement of political values than any other environment in the Kingdom.

Regarding the Aesthetic values, the analysis revealed that in both their personal and managerial lives, Saudi executives scored lowest for their Aesthetic values. Although considerable efforts have been exerted by the General Presidency of Youth Welfare to develop the artistic aspects and orientations of Saudis, it would appear that this weakness could be attributed to the following reasons:

- A- The relationship between the Islamic religion and some of the artistic aspects.
- Some artistic works are religiously restricted (i.e., painting pictures which show humans and animals). The reason behind this is that Islam holds the belief that Allah (God) will ask these people who painted or engraved these figures to make them alive, which is beyond human capability and Allah will punish them. Prophet Mohammad (peace be upon him) said "Those who make these pictures will be punished on the Day of Resurrection, and it will be said to them, 'Make alive what you created.' " (Al-Bukhari, 1994, p 950)

B- In all educational levels, art classes are not given enough attention by either schools or students and are always seen as unimportant or simply peripheral courses.

C- Unavailability of Colleges of Fine Arts in S.A.

D- The participation of the private sector in some environmental activities (e.g., annual tree week, annual cleaning week, etc) may be seen as a sort of courtesy to the government institutions and not for the preservation or the beauty of the environment itself.

The very low Aesthetic values of Saudi executives does not mean this value is not important to Saudi executives and it is a fact that Islam is not against Aesthetic or artistic aspects of individuals. There is much evidence from the Holy Quran and the Prophet's traditions calling for beauty and fineness. Prophet Muhammad (peace be upon him) said: "Verily, Allah is beautiful and He likes beauty" (Sahih Muslim, Al-Iman, 131). In this regard, efforts have been exerted to develop and strengthen the Aesthetic attitudes of people in S.A. The National Festival for Heritage and Culture for example, is held annually at Al Janadriyah in Riyadh by the Presidency of the National Guard. This festival includes lectures, exhibitions, and live shows about many cultural and artistic aspects of ancient and modern Islamic and Arabian civilizations. In addition to this, a study will be conducted on the feasibility of establishing an arts academy to carry out the task of developing these aspects in Saudi society (Ministry of Planning, Sixth Plan 1995-2000). These efforts are expected to have a positive impact in strengthening the Aesthetic orientations of Saudi people.

From these results one can conclude that general value profile of Saudi executive can be characterised as being "very concerned with economic outcomes of his decisions, and this is reflected in his personal life. In addition, he believes that



personal success is measured by the amount of outcome generated by his decisions. Thus, he is willing to compete using modern, Western knowledge and skills, to achieve the desired levels of success and growth for his organisation, which in turn means gaining managerial advancement and personal success. While the Saudi executive gives high regard to religious and social issues in his personal life, he is noted to be more concerned with social problems at work. This finding may reflect the fact that Saudi executives believe that having close relationships and co-operation with different parties in and outside their organisations are necessary for making successful managerial decisions.

This question concerned the identification and investigation of the overall value profiles of the typical Saudi executive in terms of his personal and managerial lives. The general profile of the Saudi executive was also assessed. The second part of this question will focus on the extent to which the two profiles are similar at the average Saudi executive level.

In order to examine how similar are the two profiles at the typical Saudi executive level, simple correlation analysis was used. By using simple correlation analysis we are able to identify the relationships between values of each profile and between values of both profiles. The statistical results did not show any strong association between values of personal and managerial value profiles. However, the results show the following:

**A- Nine significant relationships were noted between values within the personal profile.**

These relationships are discussed in the following:

- 1- Three negative relationships were noted between the Theoretical value and the Aesthetic, Social, and Political value dimensions. This finding suggests that the

Aesthetic or the artistic issues are not important to the Theoretical manager who is more concerned with truth and facts when making his personal decisions. This finding is also consistent with the Guth and Tagiuri (1965) suggestion that Aesthetic issues are not so attractive to the Theoretical person. In addition, this finding suggests that the more highly educated a Saudi manager, the less likely he is to show traditional or social attitudes in his personal decisions. Furthermore, this finding reflects the common belief that the Political man is interested primarily in power, competition, and domination where the Theoretical man is intellectual in nature and concerned primarily with truth and facts.

Although the social aspects (i.e. relationships and cooperation with subordinates and superiors, employment of Saudi citizens, protection and preservation of the environment) are very important in achieving organisational goals, the Saudi executive who is influenced by Theoretical attitudes shows little interest in Social orientations when making personal decisions. One possible interpretation is that this type of manager may believe that social and humanistic matters are the government's responsibility, and that attaining effective and accurate information and knowledge for his decisions is the main goal in his personal life, regardless of the impact his decisions have on his social relationships.

2- Three negative relationships were found between the Economic value and the Aesthetic, Social, and Political value dimensions. This finding is consistent with the fact that Saudi managers who are strongly influenced by their Economic values tend to make decisions that serve their economic expansion (wealth expansion). In addition, this finding suggests that Saudi executives who are motivated by their economic goals, tend to show more practical and/or materialistic attitudes when making personal decisions and consider other issues as peripheral factors to their decision-making. It

should be noted that the negative correlation between the Economic dimension and the Aesthetic, Social, and Political values means that they are less significant in his priorities.

3- The results indicated that the Aesthetic value is negatively correlated with the Religious value dimension. This finding is consistent with the previous suggestion that some artistic aspects are restricted by the Islamic religion. Thus, the results suggest that when making his personal decisions, the Saudi manager who is predominated by artistic attitudes might show relatively low Religious attitudes.

4- The analysis also showed that the Political value is negatively related to the Social and Religious values. This finding suggests that the Saudi executive who is influenced by his political attitudes is likely to show a strong desire to achieve personal success in his personal life regardless of the negative social and/or religious consequences of his decisions. Moreover, this finding reflects the nature of the political man who considers competition and influence as a major part of his life. Ali and Al-Shakis (1991) pointed out that the Saudi manager does not like to be told how or where to do the work as long as he can get the task done.

**B- Nine significant relationships were found between values within the managerial value pattern.** These relationships are discussed next:

1- The Theoretical dimension was noted to be negatively correlated with the Economic, Aesthetic, and Religious dimensions. Although modern knowledge and education are important for the achievement of economic goals, the Saudi executive who is dominated by the Theoretical values tends to be more concerned with the accuracy of knowledge and information over other aspects when making his managerial decisions. This finding suggests that the Saudi manager who is influenced

by his Theoretical attitudes believes that effective managerial decisions depend largely on adequate data and pertinent information, despite the low economic or artistic outcomes of his decisions.

2- The results also showed that the Economic value was negatively correlated with both the Social and Political values. This finding suggests that the Saudi executive who gives high priority to the economic outcomes of his managerial decisions disregards the usefulness of social relationships in achieving economic goals. Although the political man is characterised by a high interest in competence and power attitudes, and is willing to take risks, the Saudi economic executive is characterized as being highly interested in achieving tangible goals with low commitments to market competition. This manager may, for example, be more concerned with quantity than quality of his decisions' outcomes. Hence, it could be suggested that the Saudi executive who is dominated by economic motives is always dominated by tangible outcomes of his decisions.

3- Two negative associations were noted between the Aesthetic values and both the Political and Religious dimensions. This finding would appear to be consistent with the nature of Spranger's Aesthetic Man. Spranger suggests that the Aesthetic man opposes political activity especially when it creates the repression of individuality. Moreover, the Aesthetic man according to Spranger is likely to confuse beauty with purer religious experiences. Therefore, it could be suggested that the Saudi manager who has value orientations that are artistic, will place less importance on competence and power values (political) in the business environment. This finding is also consistent with the previous suggestion that the more religious a Saudi manager is, especially more mature executives (50 years or more), the less he values the



artistic aspects. The reason for this may also be that some of these artistic aspects are banned by the Islamic religion.

4- An unexpected negative correlation was noted between Social values and Religious orientations in the managerial profile of the Saudi executive. This finding suggests that the Saudi manager who is influenced by his social orientations may not show a high interest in Religious values. This finding appears to deviate from the characteristics of the Spranger's social type who tends to adopt strong Religious attitudes. Such managers therefore believe that the emphasis on social responsibilities when making managerial decisions is more important to the efficiency of their decisions than focusing on the Religious aspects of these decisions. These managers for example, may emphasise nepotism over qualifications in selecting new candidates for their organisations.

5- Another negative correlation was noted between the Political value and the Religious dimension within the managerial profile. This finding suggests that Saudi executives who are influenced by the market values, competitive situation, and personal promotion are expected to have a relatively low interest in Religious values when making managerial decisions.

**C- Eighteen significant relationships were found between values from both profiles.**

1- The results showed that the Theoretical dimension in the personal profile was positively correlated to the same dimension and negatively to the Religious dimension in the managerial profile. This finding supports the previous suggestion that the more educated a Saudi executive is, the more he is modernised and Westernised and the more emphasis he will place to the search for adequate information and data for his managerial decisions. This finding is also consistent with a previous suggestion that

the more Westernised and modernised a Saudi manager is, the relatively lower this manager influenced by traditional and Religious attitudes.

2- The analysis revealed that the Economic value in the personal profile was positively related to the same dimension and negatively to the Social and Religious dimensions in the managerial profile. This finding indicates that managers with high Economic orientations in their personal life, tend to place a high emphasis on economic outcomes of their managerial decisions, and a low emphasis on both social and religious issues at work. This type of manager, for example, may solve a financial problem by taking a bank loan with a pre-determined rate of interest. It is well known that Islam forbids this sort of conduct and calls it "*RIBA*" or "usury". Finally, this finding supports the previous suggestion that a Saudi executive with high Economic interests is more concerned with materialistic goals (i.e., profit maximisation, revenues, higher income, etc) regardless of the effects his decisions have upon his Religious beliefs or social relationships. Hence it could be suggested that "the Ends Justifies the Means" to this type of manager.

3- The result showed that the Aesthetic value in the personal profile is positively correlated with the same value and negatively with the Religious dimension in the managerial profile. This finding suggests that the Saudi executive with high Aesthetic values in his personal life will also emphasise artistic aspects in the organisational environment, while Religious aspects are seen as minor issues to this manager. This finding is consistent with a previous suggestion that managers with highly artistic orientations are characterised by low emphasis on religious or spiritual issues. When making a decision concerning the design of the product, for example, the executive with high artistic values can be expected to place a higher emphasis on the modernity, fashion and the style of the product than on its Religious aspects.

4- The results also showed that the Social value in the personal profile is positively associated to the Social and Religious dimensions and negatively to the Theoretical and Political dimensions in the managerial profile. This finding suggests that those executives who have value orientations that are social or traditional in their personal life tend to have a higher regard for social and religious issues in the work place, and place lower emphasis on theoretical and political preferences. Moreover, these managers may believe that successful managerial decisions depend largely on the social aspects of their decisions. In this respect, Fritzsche (1991) argues that:

**“Because economic organisations operate at the pleasure of the society, social factors may be quite important to the decision-maker. Decisions which are viewed as having a positive impact or reception may result in favourable public policy, a reduction in unfavourable public policy, a positive economic experience, a more favourable pool of employment, etc.” (Fritzsche, 1991, p. 847).**

This finding is also consistent with Spranger’s suggestion that the Social man is selfless and tends to attend very closely to Religious attitudes. The lower emphasis on Theoretical and Political values may be attributed to the manager’s belief that successful decisions depend more on social relationships than on personal power, competitiveness, and influence. This finding supports the previous results that the more education and knowledge a Saudi manager has the more dominance Western values will have on his managerial decisions, and the less influence Religious and traditional values will have on such decisions.

5- the Political dimension in the personal profile is positively related to both the Theoretical and Political values in the managerial profile, while negative correlations were noted between the Political value in the personal profile and both the Economic and Aesthetic values in the managerial profile. This finding seems consistent with the

general belief that competition and success in the business environment depend largely upon the application of such knowledge and ideas when making serious managerial decisions. Although, in the business environment, managers value their personal success by the profit they make, these managers do not give high regard to economic gains, but rather to the efficiency of their decisions and the quality of work in general regardless of the artistic aspects of such decisions.

6- The results indicated that the Religious dimension of the Saudi executive in his personal life was positively related to the same value and negatively to the Theoretical and Political orientations in his managerial environment. This manager may believe that considering Religious aspects is the most important determinant of successful managerial decisions, and that knowledge and competition must comply with his Religious beliefs. Hence, avoiding irreligious conduct seems to be the main interest of these managers. This finding seems consistent with a previous suggestion that the more educated a Saudi manager is the more this manager has been exposed to Western business values and methods.

From the previous discussion one can suggest that the general value system of the Saudi executive could be deconstructed into three value profiles: personal, managerial, and personal and managerial relational profile.

But in order to determine whether this suggestion is acceptable, values within each profile were placed into multiple regression models. The main objective of this method was to identify the extent to which values within each profile are related, and the extent to which these profiles are related. The results revealed the following:

- (1) The general value system of the Saudi executive manager could be deconstructed into the following value profiles:



- (a) Personal: representing the six classes of values in his personal life.
  - (b) Managerial: representing the six classes of values in the workplace.
  - (c) The personal-managerial relational profile: representing those values through which the above two profiles are related.
- (2) Both the personal and managerial value profiles of the Saudi executive are dissimilar due to the following reasons:
- (a) The role of modern knowledge and education, as well as his occupational experiences (in the formation of his managerial value profile) and their impact on his personal, traditional, and cultural values which have been formed throughout his life.
  - (b) The importance of organisational culture in influencing the personal value system of the Saudi executive. Organisational culture is defined as the beliefs, assumptions, and values the organisation passes on to its members to guide their actions and behaviours (Schein, 1984). These values and beliefs are believed to influence every aspect of an executive's decision (Akaah and Lund, 1994). They influence his thoughts and feelings and provide a guide for his behaviour (Fritzche, 1991). Thus, it could be suggested that the executive's managerial value profile is a modified profile of his personal value pattern to cope with the internal and external environments of his organisation.
  - (c) The nature of business activity may also influence the managerial value profile of managers. In a business environment, for example, financial firms (i.e. banks, insurance firms...etc) have value orientations that are economic or financial in nature (i.e. profits, revenues, debits...etc), whereas service firms (i.e. transportation, hospitals...etc) emphasise the values of health and safety.

(3) When values in each particular profile were explained using values of the other profile, the results showed that the personal and managerial value profiles of the Saudi executive are interrelated. This interrelationship could be seen through the influence of his personal profile on the Religious value (main predictor) in his managerial profile. Equations of the managerial value pattern (equations 7-11 Table 7.22 & equation 20 Table 7.25), therefore, seem more appropriate to examine the possibility of classifying the value profiles of Saudi executives in the business environment.

#### **8.2.5 RESEARCH QUESTION 5:**

This question was an attempt to identify the types of value profiles of Saudi executives, the developed rank orders of values of each profile, and the main characteristics of their managers.

The statistical results (chapter 7) revealed only four values profiles that are distinct to Saudi executives: Theoretical, Economic, Social, and Religious. These profiles and the main characteristics of their managers will be discussed next.

##### **8.2.5.1 The Managerial Theoretical Profile**

The statistical results showed that the Theoretical value in the managerial profile was distinctively represented by almost a quarter of the sample subjects (53 executives). Thus, it could be suggested that the Theoretical value in the managerial value profile represents a distinctive type of managerial profile held by Saudi executives. Analysis of the Theoretical value also indicated that managers of the Theoretical profile were characterised as more Theoretical and Political and less Economic, Aesthetic, Social, and Religious than the less Theoretical managers.

According to Spranger the Theoretical man is primarily oriented towards the discovery of truth, more concerned with the facts, and his interests are characterised as intellectual and rational. In addition, the Theoretical man according to Spranger, is described as one that divests himself of judgements regarding the beauty or utility of objects. In this respect, the Saudi executive of the Theoretical profile was found to be:

- 1- Similar to Spranger's Theoretical man in placing the highest emphasis on knowledge and science as a means of achieving organisational goals, and in showing little interest in the Aesthetic value.
- 2- Unlike Spranger's Theoretical man, the Saudi executive of the Theoretical profile showed higher concerns for Political values.
- 3- Unlike the typical Saudi executive who showed little interest in Theoretical values in his managerial profile.

The above results suggest that the Saudi executive of the Theoretical profile shows the following attitudes:

- a) Higher interest in Political values as an important factor in achieving organisational goals. In this respect, he differs from Spranger's Theoretical Man, who gives little regard to power and competitive aspects (Political).
- b) In order to achieve organisational goals it is necessary to have sufficient education and knowledge (Theoretical) as a means of influencing and dominating the market (Political). This type of managers would appear to question the validity of other values when making his managerial decisions.
- c) More authority and freedom in accomplishing his tasks, as well as the availability of accurate information for his decision-making, will obviously play an important role in motivating this type of manager.

- d) Little interest in the Aesthetic values in his managerial conduct. In this respect, he is similar to both Spranger's, and Guth and Tagiuri's Theoretical Man, who gives little concern to Aesthetic aspects in his decisions.

Although managers of the Theoretical profile showed more interest in Political values and less in the remaining four values, the rank order of the six classes of values within this profile indicates that Political values scored third where Economic values ranked second highest. Analysis of the Theoretical profile determined also that Social, Religious and Aesthetic values scored fourth, fifth, and sixth respectively.

#### **8.2.5.2 The Managerial Economic Profile**

The statistical results (chapter 7) indicated that the Economic value in the managerial profile was significantly represented by almost a quarter of the sample (52 managers), indicating that the Economic dimension represents a significant type of managerial pattern held by Saudi executives. Further analysis of the Economic value showed that managers of the Economic profile (more Economic group) were characterised as more Aesthetic and less Theoretical, Social, Political, and Religious than the less Economic managers.

According to Spranger, the Economic man is described as practical, and his chief aim in life is financial in nature. Hence, the main objectives of the Saudi executive with the Economic profile will be profit maximisation and organizational growth. Analysis of the Economic value profile revealed the following:

Although those Saudi executives are similar to Spranger's Economic Man, who was described by Spranger as giving the highest regard to economic goals, and little regard to the Theoretical, Social, Political, and Religious values, they are also unlike Spranger's Economic man, whose value of utility conflicts with the Aesthetic value,



except when art serves commercial ends, and unlike the typical Saudi executives who showed a low emphasis on Aesthetic values.

The above results suggest that the Saudi executive of the Economic profile is similar to Spranger's Economic type who is described by Spranger as the one that gives little interest to Theoretical values. The Economic man according to Spranger wants education to be practical, and regards unapplied knowledge as waste. In terms of Social and Political values, the Saudi executive of the Economic profile was found to match Spranger's Economic type. The Economic man according to Spranger is more likely to be interested in surpassing people in wealth than in dominating them (Political attitude) or in providing them with a service (Social attitude). Although the Saudi managers of the Economic profile showed a low emphasis on Religious values, it does not mean those were of no value to these managers. It is recognised, however, that all Saudis believe in Allah (God) in every single aspect of their life as the creator, controller and provider of guidance in every field of their activities and not only the giver of gifts, of wealth, prosperity, and other tangible blessings. Managerial life priorities differ, however, from one executive to another, and with the same executive from one time to another.

The above discussion suggests that in his managerial life, the Saudi executive of the Economic profile is expected to place highest emphasis on profit maximisation, organisational efficiency and growth, but to achieve such goals, he believes that:

- (a) Modernity and artistic aspects are important determinants to effective managerial decisions.
- (b) The higher profit maximisation he achieves the more confident he seems about himself and his future career advancement.

- (c) An effective motivational system should be a financially based system. Since executives of this profile are economically oriented, the financial reward system is the most adequate tool for motivation.

Although managers of the Economic profile gave higher regard to Aesthetic values and less regard to the remaining four values, the rank order of the six values within this type of profiles indicates that Aesthetic values scored lowest in the preferences of the managers of the Economic profile. Analysis reveals that Social, Religious, Political, and Theoretical values scored second, third, fourth, and fifth respectively.

#### **8.2.5.3 The Managerial Social Profile**

The third distinctive managerial profile held by Saudi executives is the Social profile. Since social issues receive the highest attention by managers of this profile, their main objective is to maintain their social relationships with others as a means of achieving their goals. But, according to Spranger, the Social man is likely to find the Theoretical, Economic, and Aesthetic attitudes cold and inhuman. Analysis of the Social value indicated that managers of the Social profile were characterised as more Aesthetic and less Theoretical, Economic, Political, and Religious than the less Social managers. Analysis of the Social profile of Saudi executives revealed the following results:

Although these executives share some aspects of Spranger's Social Type, who gives highest priority to Social issues, and because they possibly consider Theoretical and Economic values as cold and inhuman, they also differ from Spranger's Social type who is likely to consider Aesthetic values cold and inhuman.

From the above results we can suggest that in his managerial life, the Saudi manager of the Social profile will show the following attitudes:

- (a) A high emphasis on artistic aspects, along with personal relations as a means of achieving a reasonable level of form and harmony in his decisions.
- (b) He will be motivated mainly by a socially based motivation system, through which he is able to create close interpersonal relationships with others.
- (c) Each of the Theoretical, Economic, Political, and Religious values are considered as low priorities to the Social manager who gives such values little regard when making his managerial decisions.

Although analysis of the Social profile indicted that managers of this profile are more Aesthetic and less oriented toward the remaining four values, the rank order of the six values within the Social value profile indicates that the Aesthetic values ranked lowest among other values. Analysis of the Social profile indicates that the Economic, Theoretical, Political and Religious values scored second, third, fourth, and fifth respectively.

#### **8.2.5.4 The Managerial Religious Profile**

The fourth distinctive value dimension that is significantly represented by Saudi executives is the religious value dimension. Managers of this profile place their highest concerns on Religious issues, and disregard those aspects that conflict with their religious beliefs. Analysis of the Religious value indicates that managers of the Religious profile (more religious group) are noted to be more oriented towards the Political values and less towards Theoretical, Economic, Aesthetic, and Social values. The finding therefore suggests that the Saudi manager of the Religious value profile will show the following attitudes:

- 1- When making managerial decisions, he is expected to show a high interest in competitive aspects and as a means of creating effective decisions.
- 2- His managerial practices can be expected to match his religious beliefs.

3- He will measure his personal success or self-esteem by maintaining his religious beliefs in his managerial actions.

Although managers of the Religious profile showed more interest in Political values and less in the remaining four values, the rank order of the six values within this type of managerial value profile indicates that the Political values scored third, where Economic values ranked second highest. The analysis also showed that Social, Theoretical, and Aesthetic values scored fourth, fifth and sixth respectively within the Religious value profile.

As mentioned previously, the main purpose of this question was to discuss the results obtained in chapter 7, concerning the classification of the managerial value profiles that are distinct to Saudi executives in the business environment.

The discussion revealed that Saudi executives represent four value profiles with variant rank orders of the six values: Theoretical, Economic, Social, and Religious. The variation of the six values within each profile is a prerequisite for the success of business and society according to Klukhohn and Strodbeck (1961). Such variation will also result in different characteristics of individuals for each value profile. Consequently, such characteristics are expected to show a dissimilarity in managers' priorities and needs, managerial attitudes, and perceptions of organisational problems and goals, and they can thus be expected to show various types of behaviours when making their decisions as well as varying levels of managerial performance and organisational efficiency. It is important for Saudi organisation, therefore, to choose managers with relevant value profiles from the four that have been identified in this study that best fit the goals and strategies of the organisation and place them in an appropriate environment in order to maximise the benefit from those individual's skills and experience.



So far the findings of the five questions have been discussed in detail. It should be noted that these findings are expected to add a significant contribution to the existing knowledge about the study of values in general, and to Saudi managers' value systems in particular. These contributions, as well as the implications of this study to the development of managerial practices in KSA will be presented in the next chapter.

**CHAPTER NINE**  
**SUMMARY AND CONCLUSIONS**

## **CHAPTER NINE**

### **SUMMARY AND CONCLUSIONS**

#### **9.1 INTRODUCTION**

This chapter is concerned with the following objectives: to summarise the results and findings of the study, to formulate the contributions and implications that could be deduced from these results, to indicate the problems and limitations of the study, and to provide some suggestions for future research in this area.

It was mentioned earlier that this study aimed to achieve several objectives: to identify the primary responses of Saudi executives to the six classes of values in both their personal and managerial lives; to investigate the relationship of different personal and organisational variables to the personal and managerial values of Saudi executives, and to identify the overall value profiles of Saudi executives as a group in terms of their personal and managerial lives. Furthermore, this study aimed to identify and analyse the value profiles that are distinct to Saudi executives.

It is hoped that this study will add to a broader understanding of Saudi managers' value systems and the influence of these systems on the development of managerial practices in Saudi Arabia.

#### **9.2 SUMMARY OF THE FINDINGS**

The results and findings of this study are summarised as follows:

- 1- Overall, and as groups, Saudi executives across the six personal and organisational characteristics display a similar personal value profile and a similar managerial value profile (except the group of top level managers). Despite such

similarity, significant differences were noted in both profiles within each individual group of the personal and organisational variables.

- 2- The results indicate that top level managers have lower Economic values than middle level managers. This could be interpreted as a paradox, thus requiring further investigation which is beyond the scope of this study. However, a simple explanation could be that those managers have a much wider responsibility within an Islamic setting.
- 3- Results revealed that managers of listed organisations (joint stock) were higher in their Economic values in both their personal and managerial lives than those who are running their own companies. This indicates that these individuals are basing their managerial decisions on market values which emphasise maximisation of profit to ensure their own positive career prospects and to the benefit of stockholders.
- 4- Although the results showed that the personal and organisational factors have influence on some values in both value profiles, the findings suggested that among the six personal and organisational variables, the variable 'MANAGER'S POSITION' is the most significant factor that influences values in both value profiles.
- 5- Average Saudi executives responded to the six classes of values in both personal and managerial profiles differently. The results revealed that although they scored highest on the Economic values and lowest on the Aesthetic values in both profiles, Saudi executives displayed different responses to the remaining four values in both profiles.
- 6- Although Saudi executives showed dissimilar personal and managerial value profiles, these profiles did relate.



- 7- The value system of the individual Saudi executive is deconstructed into the following profiles:
- Personal value profile (representing the six values in his personal life)
  - Managerial value profile (representing the six values in his managerial life)
  - Personal-managerial relational profile (representing those values through which the two profiles are related).
- 8- There are four reasons behind the selection of the managerial value pattern in the analysis to identify the types of those profiles that are significantly held by Saudi executives:
- (a) Managers are the main focus of this research. Hence, their values at work are expected to be more appropriate in measuring such representation.
  - (b) Both profiles (personal and managerial) are related through eighteen significant correlations.
  - (c) Both profiles are interrelated through the impact of the personal profile on the main dimension (religious) in the managerial value profile.
  - (d) In addition to the above reasons, the role of the personal (i.e., personality, perceptions, education, etc) and professional characteristics (i.e., experience, nature of business activity, etc) in the formation and modification of the managerial value pattern, validate the use of managerial values in the analysis to identify the distinctive value profiles of Saudi executives of values in order to achieve the objectives of this study.
- 9- statistical analysis revealed only that only four managerial value profiles are considered distinct to Saudi executives: Theoretical, Economic, Social, and Religious value profiles. Hence, managers of these profiles are expected to show different perceptions, attitudes, and performance, etc.

The above findings and suggestions could be used as a key concept to be studied for further research in improving managerial practices and performance within business firms in KSA.

### **9.3 CONTRIBUTIONS AND IMPLICATIONS OF THE STUDY**

It is hoped that this study will provide a basis for the development of ideas and suggestions on managerial practices in Saudi Arabia, at both the organisational and managerial levels. A wide variety of practical and theoretical implications can be drawn from the results and findings of this research.

In the first place, the results and findings should attract managerial policy makers and organisational researchers in KSA. The results can also be placed in comparative studies by practitioners and researchers from other countries. Furthermore, this study could be slightly modified and applied to other managers in the public sector whose perceptions, attitudes, and actions are expected to be similar to those managers in private organisations. The following sections will highlight those issues within the managerial environment in KSA where the practical contribution and implications of this study are most appropriate.

#### **9.3.1 On the Research Level**

Apart from the valuable findings and suggestions of this research, this study is also the first attempt to classify the value profiles of Saudi executives and is in itself a contribution to managerial research in general, and to managerial research in KSA in particular. As a result of the modifications added to Allport's instrument, and the development of the third part of the questionnaire (the managerial value instrument), the research has developed a more appropriate method of value measurement for research in KSA. The study has made use of all suitable information and data gathered

from the questionnaires, as well as effective statistical techniques. The use of nonprobability-probability sampling technique, as well as the selection of the frame from which the sample was drawn, has proved significant in the collection of suitable and reliable data for this research. The entire practical apparatus, in fact, will prove effective for studies of managerial problems in Arab countries in general, and in subsequent research in KSA in particular. In this respect, the findings of this study have potentially important implications for researchers:

- 1- Findings of this study will offer help to those interested in this field of research. if used effectively, these findings will provide a useful tool for a better understanding and explanation of managerial behaviour.
- 2- The findings of this study can also be used in a study observing any subsequent changes on the value profiles of top managers, as well as the causes of such changes.
- 3- Researchers can place these results in cross-cultural studies to identify similarities and differences in the value systems of managers from different cultures.
- 4- Organisational researchers in developing countries should be careful of using Western instruments without making necessary modifications to match the culture of their societies.

### **9.3.2 On the Government Level**

Comprehensive development has been the main focus of the Saudi State for decades. Plans and strategies have been drawn up to achieve this objective. It should be noted, however, that the success of public and private enterprises in carrying out their responsibilities of such an objective depends largely on the availability of qualified managers. Since Saudi managers in both public and business sectors practise fundamental and daily managerial functions, their decisions will influence the

achievement of development plans, which in turn will be reflected in people's lives within the Kingdom. In this respect, the findings of this study have several implications for the government in order for it to carry out its responsibility for the development of capable managers, as follows:

- 1- The government's development plans should include strategies for training executive managers in both the public and business sectors, and for allocating the necessary funds to carry these out at State level.
- 2- The public educational institutes (i.e., Institute of Public Administration, universities, business schools...etc) should pay greater attention to the subject of "values" as an important component of the process of decision making. This attention could be reflected in designing training programmes for managers by the Institute of Public Administration. The main aims of such programmes could be as follows: a) to identify the personal and managerial value patterns of the trainees; b) to convince managers that differences in their value profiles are normal, as their personal and organisational backgrounds differ; and c) to help managers modify their value patterns to match the cultural environments of their organisations.
- 3- The Saudi chambers of commerce can also help organisations to overcome problems related to individual differences.

### **9.3.3 On the Organisations Level**

The findings of the present study appear to have several important implications for organisations. Although the overall results showed that the groups of managers of the six personal and organisational variables displayed a similar personal value pattern and a similar managerial value pattern, significant differences were noted in both value patterns within each individual group of the six variables. Thus, organisations



should concentrate on the impact of the conflicting value profiles of their members upon the efficiency of the organisation. If for example two managers both have high a orientation toward economic goals, one may value the quality of the product or the service and competent attitudes (political) to be more important in achieving the goals, while the other may view modern education and Western knowledge (theoretical) to be more important. Organisations may also suffer conflict between values of individual managers and those of the organisation itself. In this respect, the findings of this study have potential implications for organisations in solving problems relating to conflicting values:

- 1- Organisations public or private should recognise the importance of "values" in effective decision-making, should adopt training programmes and organise management conferences to clarify their importance. This will help managers identify and modify their value systems to be in line with those of their organisations.
- 2- Organisations should identify the value patterns of new candidates and select members displaying the relevant value patterns that will match those of the organisation, and provide appropriate conditions that may help them implement their experience and skills effectively.
- 3- Such identification will also help organisations in guiding their members' actions with respect to their policies and goals, and avoiding conflicts between the value profiles of managers and their subordinates, and between the employee's values and those of the organisation.
- 4- It is possible for each organisation to design training programmes to establish acceptable levels of congruence between the value profiles of its members and to train its members to work effectively with members of differing value profiles.

- 5- Organisations should update their managers with any changes in the internal and external conditions that can influence the organisational goals and policies, and provide their managers with the best ways and means of modifying their value profiles to cope with the new changes.
- 6- Findings of this study will add to the knowledge of Saudi executives' value profiles and the characteristics of managers of these profiles. Such knowledge will provide organisations with a powerful tool for promoting specific decision-making behaviour in business practices.

Public and private organisations should create a working environment that takes into consideration the cultural, traditional, political and religious aspects of society as important factors in shaping individuals' value systems. This environment will enable the company members to contribute effectively in achieving the organisation's goals and objectives.

#### **9.3.4 On the Managers' Level**

The findings from this study also have potentially significant implications for managers. Managers should recognise the influence of value profiles on their decisions and on managerial efficiency in general. Incongruent value profiles may result in disagreements in many organisational problems, which can result in an unstable managerial conditions. Thus, management should realise its role in developing and maintaining an effective and well-united workforce in order to attain its organisational goals. Several useful implications of this study for managers are presented as follows:

- 1- Although this study did not focus on value-behaviour relationships, there appear to be different value profiles that could help predict specific decision-making behaviour in various types of decision dilemmas. The Religious manager, for

example, also showed a higher interest in Political values. Thus, this manager can be expected to show a mixture of pragmatic and moral managerial behaviour when making his decisions. It could be suggested, therefore, that the Religious manager would prove useful in representing his organisation to the outside world and competent in solving problems related to the competition. As a result, findings of this study might be helpful in placement decisions.

- 2- Based on the suitability of the candidates' value profiles, this study will provide managers with useful information for selecting new recruits, as well as insight for internal promotions and lateral transfers.
- 3- Managers should adjust Western managerial styles to match the nature of their organisation's activities, values, and cultural environment.
- 4- Managers should update their database with any changes in the value patterns of their subordinates, and its influence upon the achievement of the organisational goals and strategies. Thus, it will be possible to create training programmes to modify the value patterns of employees in order to meet the organisational goals.

The usefulness of the above suggestions, however, depends largely on the managers' success in finding suitable answers to the following key questions:

- (a) What are our subordinates' and our own value profiles?
- (b) Are our profiles and our subordinates' value profiles congruent?
- (c) Are these profiles in line with the organisation's values and goals?
- (d) Which of these profiles are more important, less important or in conflict with those of the organisation?
- (e) Is there a consensus among managers on the appropriate value profile?
- (f) Do our profiles of values suit the demands of the internal and external environments?

- (g) Are our profiles in line with the value profiles of those who constitute the organisation?
- (h) Do we recognise and emphasise the importance of these profiles in our fundamental and day-to-day managerial practices?
- (i) Are we interested in changing or modifying our own and our employees' value profiles? And if so, how?

By answering the key questions above, managers will be able to maintain progressive improvements in the performance of their employees and consequently attain the organisational objectives more effectively.

Practical achievement of the suggestions above will offer a potentially powerful means for understanding the importance of managers' values to the following critical issues:

- 1) effective achievement of goals and strategies,
- 2) maintaining effective decision-making processes,
- 3) enhancement of the managerial functions (i.e. communication, leadership, etc),
- 4) the assessment of the motivation and the reward systems within the organisation,
- 5) the possibility of raising the level of a desired managerial behaviour (i.e., moral or ethical, pragmatic, social, religious, etc) within the organisation.

## **9.4 PROBLEMS AND LIMITATIONS OF THE STUDY**

Despite the significant results obtained through this study, several limitations of this work should be kept in mind. These limitations were mentioned in chapter 5. The following presentation will provide more information and detail on these limitations.



The use of the questionnaire as a tool for collecting data for research purposes is a limitation in itself because it reflects the subjects' perceptions and attitudes at a certain point of time. The relatively large number of executives (600), however, who are hundreds of Kilometres apart, makes the use of the questionnaire a more convenient method for this study.

Since the data were collected from a sample of executive managers, it is not known whether non-executives would respond in the same manner. Thus, the results of the study cannot be generalised to other types of managers without further investigation.

Women were not included in this study because of their limited role in private organisations. The participation of women in public as well as private organisations, however, is expected to increase and consequently they will have an impact on development plans in the future. The increasing participation of women is also expected to stimulate researchers to focus on women managers to find out what their values are. Income was not included as one of the independent variables of this study as all subjects are executives and can be expected to receive a roughly similar monthly income.

The results of this thesis were not placed in a comparison setting to find out the similarities and differences between the value profiles of Saudi executives and those of executives in other parts of the world. This was due to the following reasons: First, most of the studies that utilised Allport's instrument to study the value systems of managers and/or business students were conducted more than a decade ago and several studies suggest that value systems are changing because political, social and economic conditions are changing worldwide (Rawwas et al., 1998; Ali and Al-Shakhis, 1991; Ingelhart, 1985). Second, those managers studied represented most

managerial levels, whereas the sample used in this study was restricted to executive managers. Third, women were included in those studies but excluded from this study. It is hoped that the results of this study will stimulate researchers interested in this field of study to continue the research.

## **9.5 SUGGESTIONS FOR FURTHER STUDIES**

The concentration on values while studying Saudi managers offers a new trend for study that holds great hopes. The results of this study support the general belief that managers' value profiles are important, since values affect managers in how they perceive themselves, their work, other people, and the company in general. Despite the fact that Saudi Arabia plays an important role in the world economy, little serious research has been conducted on Saudi managers in the private sectors. The results of this study revealed that Saudi executives only represented four types of value profiles in their managerial environment. Managers of each type of the four profiles can be expected to show varying perceptions and behaviours when solving organisational problems. Although Saudi executives showed a degree of unwillingness to respond, the methodology used in this study proved significant in collecting reliable and suitable data.

The Saudi manager should realise the influence of his value profile upon the decision-making process and that achieving the desired outcome depends largely on the systems of values of the decision-maker. He should also recognise the importance of the congruence between his value profile and his superiors' and/or subordinates' profiles in achieving such outcomes. In this respect, management could play an essential role in creating the appropriate environment in which employees can satisfy their needs and achieve high levels of efficiency. Management's success in this task is

vital in avoiding future disagreements over many managerial and organisational problems.

Finally, the value profiles of Saudi executives and managers are expected to have a profound effect in shaping the future of Saudi organisations in the next century. The results of this study provide enormous opportunities for researchers interested in this field of study. The following are suggestions that could be the basis for further investigation on this topic.

- 1) The value profiles of managers in the public and private sectors.
- 2) The value profiles of Saudi male and female managers in the private sector.
- 3) The value profiles of Saudi and Western managers: A comparative study.
- 4) Value profiles and effective managerial behaviour.
- 5) Value profiles and effective managerial functions.
- 6) Value profiles and organisational problems and solutions.
- 7) Value profiles and relevant motivational and reward systems.
- 8) Value profiles and organisational growth.

## **APPENDICES**



## **Appendix A: A Letter from the Researcher to the Manager at the Highest Level**

***GOD'S PEACE AND MERCY BE WITH YOU***

Dear general manager

This questionnaire has been designed to study one part of the Saudi managers' personality. I would be grateful if this questionnaire could be completed by one of the executives in your company. Executives are defined as:

- 1- Those in the highest position in the organisation such as: General Manager or President of the firm.
- 2- Those of middle level positions in the organisation such as: Vice General Manager, Deputy Vice President, branch's General Manager and Head of Division.

***YOUR CO-OPERATION WILL BE MUCH APPRECIATED.***

Researcher  
Abdullatif S AL-Naeem  
Imam Mohammed Ben Saud University

Appendix B: A letter from the Chairman of the Council of  
Saudi Chambers of Commerce and Industry  
to Saudi Managers

بسم الله الرحمن الرحيم



مجلس الغرف التجارية والصناعية السعودية

Ref: ٤٨٨٤ / ٢٠١٩ رقم  
Date: ١٤٤٢ - ١٠ - ١٩ التاريخ

المحترم

سعادة / المدير العام

السلام عليكم ورحمة الله وبركاته ؛

نود إفادتكم بأن المحاضر / عبد اللطيف بن صالح النعيم ، هو أحد  
منسوبي جامعة الامام ، ويقوم بإعداد رسالة دكتوراه من إحدى الجامعات  
البريطانية وعنوان الرسالة «قيم المدراء السعوديين - دراسة علمية» .  
تجدون برفقه هذا الخطاب الإستقصاء المستخدم لجمع المعلومات  
الضرورية للرسالة .. نود من سعادتكم التكرم بالتعاون في تعبئة هذا  
النموذج من أجل المساعدة في إتمام رسالته ، والتي ستعود بالنفع إن شاء  
الله تعالى على قطاعنا الخاص في المملكة ، مع ثقتنا الغالية بتعاونكم في هذا  
المجال .

شاكرين ومقدرين لكم سلفاً كريم تعاونكم ؛  
وتقبلوا خالص تحياتنا وتقديرنا ؛

الأمين العام

عبد الله طاهر الدباغ

## Appendix C: A letter from Vice President of Imam University to Saudi Managers

بِسْمِ اللَّهِ الرَّحْمَنِ الرَّحِيمِ

KINGDOM OF SAUDI ARABIA  
Ministry of Higher Education  
Al-Imam Muhammad Ibn Saud  
Islamic University



المملكة العربية السعودية  
وزارة التعليم العالي

جامعة الإمام محمد بن سعود الإسلامية

إدارة البعثات

الرقم ..... ٧٣ / ٩ / ٣١ التاريخ ١٩ / ١٠ / ١٤١٧ هـ المشفوعات .....

المحترم

سعادة المدير

السلام عليكم ورحمة الله وبركاته ... أما بعد  
حيث أن المحاضر / عبداللطيف بن صالح النعيم أحد منسوبي جامعة الإمام محمد بن سعود الإسلامية ،  
ويقوم حالياً بجمع المعلومات المتعلقة ببحثه لدرجة الدكتوراه ، والتي تتعلق برجال الأعمال السعوديين وعنوان  
رسالته ( قيم المدراء السعوديين - دراسة عملية - ) .  
لذا نرجو من سعادتكم التكرم بتعبئة نموذج الاستقصاء المرفق والتعاون معه مع ثقتنا بأنكم لن تألو جهداً  
في سبيل ذلك .

شاكرين ومقدرين لكم حسن تعاونكم .

والسلام عليكم ورحمة الله وبركاته ،،،،  
المر

وكيل الجامعة

للدراستات العليا والبحث العلمي

د . محمد بن عبدالرحمن الربيع  
١٧ / ١٠ / ١٤١٧

١٧١٥ ب

## Appendix D: The Questionnaire Cover Letter

Date  
Address  
Tel:

Dear Sir,

### ***GOD'S PEACE AND MERCY BE WITH YOU***

The increasing responsibility of today's managers to achieve their organisational goals effectively has motivated researchers and academics to study those factors affecting such effectiveness. The central focus of their studies has been on the personnel behaviour in the organisations and the factors which influence this behaviour. According to several studies and projects, values have been found to be one of the most important factors that have much influence on individual's behaviour in the workplace. Most of those studies have resulted in the following:

- Values have a significant impact on the decision-making process and they are vital in a person's evaluation among alternatives.
- Values are very important to the determination of organisational goals.
- Values have a significant impact on the leadership style and they are very important in determining those of leading positions.
- Values are very important in designing employment tests and policies.

Based on these results this study is trying to learn more about the nature of Saudi managers value systems and to classify Saudi managers based on their value systems. If this study is successful, many managerial problems could be solved.

It is our belief that the best source of valuable and reliable information concerning this matter are managers of the most successful companies in S.A. And since your company is one of the top 1000 companies, according to the 1996 Directory of Top 1000 Saudi companies which was published by International Information & Trading Services Co., you have been selected to provide the information needed for this study.

You will find enclosed with this letter the questionnaire designed to collect data on personal and managerial values of managers in S.A. Your co-operation is significant to the success of this study and we are confident of your assistance in reaching this goal.

Although this questionnaire is not designed to discover names or to ask about sensitive matters, all information provided will be treated confidentially and will not be used for any other purpose except that of scientific researches. Finally, we offer to provide you with a copy of the findings of this research if you so like. Thank you very much for co-operation in this important study.

Abdullatif Alnaeem  
Researcher  
Imam University

Prof. Mo Malek  
Professor of Management  
University of St. Andrews



## **Appendix E: The Questionnaire (English & Arabic)**

College of Sharea'a  
Imam University  
Department of Management

Department of Management  
University of St Andrews

### **SURVEY OF PERSONAL AND MANAGERIAL VALUES OF SAUDI EXECUTIVE MANAGERS**

#### ***TEST INSTRUCTIONS***

It is not absolutely necessary to give verbal instructions to the persons taking the test. But, it is well to give a special caution regarding one feature of part I, one feature of part II, and one feature of part III.

In part I it should be noted that the highest preference does not always come first in the series of tow items. Whenever alternative (b) is preferred, the higher score will appear second in the series of tow boxes.

In part II it is well to point out that the first choices (highest value judgement) should be given a score of 4, the lowest a score of 1

In part III it should be noted that subjects record their preferences numerically by the side of each alternative answer.

Abdullatif Alnaeem  
Imam University  
College of Sharea'a and Islamic Science  
P.O Box 1730  
Al-AHSA 31982  
Telephone and Fax (03) 5822414

## PART I

**DIRECTIONS:** A number of controversial statements or questions with two alternative answers are given below. Indicate your personal preferences by writing appropriate figures in the boxes to the right of each question. Some of the alternatives, may appeal equally attractive or unattractive to you. Nevertheless, please attempt to choose the alternative that is relatively more acceptable to you. For each question you have three points that you may distribute in any of the following combinations.

1. If you agree with alternative (a) and disagree with (b), write 3 in the first box and 0 in the second box, thus
2. If you agree with (b); disagree with (a), write
3. If you have a slight preference for (a) over (b), write
4. If you have a slight preference for (b) over (a), write

a	a	b
0	3	0
a	b	
0	3	
	a	b
	2	1
a		b
1		2

Do not write any combination of numbers except one of these four. There is no time limit, but do not linger over any one question or statement, and do not leave out any questions unless you find it really impossible to make a decision.

1. The main object of scientific research should be the discovery of truth rather than its practical application. (a) Yes; (b) No.

a	b
<input type="checkbox"/>	<input type="checkbox"/>

2. Taking the Quran as a whole, one should regard it from the point of view of its beautiful mythology and literary style rather than as a spiritual revelation. (a) Yes; (b) No.

a	b
<input type="checkbox"/>	<input type="checkbox"/>

3. Which of the following men do you think should be judged as contributing more to the progress of mankind? (a) Aristotle; (b) Abraham Lincoln.

a	b
<input type="checkbox"/>	<input type="checkbox"/>

4. Assuming that you have sufficient ability, would you prefer to be a (a) banker; (b) a politician?

a	b
<input type="checkbox"/>	<input type="checkbox"/>

5. Do you think it is justifiable for great artists, such as (painters or musicians) to be selfish and negligent of the feelings of others? (A) Yes; (b) No.

a	b
<input type="checkbox"/>	<input type="checkbox"/>

6. Which of the following branches of study do you expect ultimately, will prove more important for mankind? (A) Mathematics; (b) Theology.

a	b
<input type="checkbox"/>	<input type="checkbox"/>

7. Which would you consider the more important function of modern leaders? (A) to bring about the accomplishment of practical goals; (b) to encourage followers to take a greater interest in the rights of others.

a	b
<input type="checkbox"/>	<input type="checkbox"/>

8. When witnessing a gorgeous ceremony (ecclesiastical or academic, induction into office, etc.), are you more impressed: (a) by the colour and pageantry of the occasion itself; (b) by the influence and strength of the group?

a	b
<input type="checkbox"/>	<input type="checkbox"/>

R	S	T	X	Y	Z

9. Which of these character traits do you consider the more desirable? (a) high ideals and reverence; (b) unselfishness and sympathy.

10. If you were a university professor and had the necessary ability, would you prefer to teach: (a) poetry; (b) chemistry and physics?

11. If you should see the following news items with headlines of equal size in your morning paper, which would you read more attentively? (a) MUSLIM LEADERS TO CONSULT ON RECONCILIATION; (b) GREAT IMPROVEMENTS IN MARKET CONDITIONS.

12. Under circumstances similar to question 11? (a) SUPREME COURT RENDERS DECISIONS; (b) NEW SCIENTIFIC THEORY ANNOUNCED.

13. When you visit a mosque are you more impressed by a pervading sense of reverence and worship than by the architectural features and artistic calligraphy? (a) Yes; (b) No.

14. Assuming that you have sufficient leisure time, would you prefer to use it; (a) developing your mastery of a favourite skill; (b) doing volunteer social or public service work?

15. At an exposition, do you chiefly like to go to the buildings where you can see; (a) new manufactured products; (b) scientific (e.g. chemical) apparatus?

16. If you had the opportunity, and if nothing of the kind existed in the community where you live, would you prefer to found; (a) a debating society or forum; (b) arts exhibition?

a	b				
		a	b		
a			b		
	a			b	
a			b		
	a	b			
			a	b	
	a	b			
R	S	T	X	Y	Z



17. The aim of the mosques at the present time should be (a) to bring out altruistic charitable tendencies; (b) to encourage spiritual worship and a sense of communion with the highest.

18. If you had some time to spend in a waiting room and there were only two magazines to choose from, would you prefer; (a) SCIENTIFIC AGE; (b) ARTS AND DECORATIONS?

19. Would you prefer to here a series of lectures on: (a) the comparative merits of the forms of government in Britain and the United States; (b) the comparative development of the great religious faiths?

20. Which of the following would you consider the more important function of education? (a) its preparation for practical achievement and financial reward; (b) its preparation and aiding for participation in community activities and aiding less fortunate persons.

21. Are you more interested in reading accounts of the lives and works of men such as (a) Omer Ibn Al-Khattab, and Khalid Ibn Al-Waleed (b) Ibn Seena' a, and Ibn Hayyan?

22. Are our modern industrial and scientific development signs of a greater degree of civilisation than those attained by previous society, the Greeks, for example? (a) Yes; (b) No.

23. If you were engaged in an industrial organisation (and assuming salaries, to be equal) would you prefer to work (a) as a counselor for employees; (b) in an administrative position?

	a		b		
	<input type="checkbox"/>		<input type="checkbox"/>		
		a		b	
		<input type="checkbox"/>		<input type="checkbox"/>	
		a		b	
		<input type="checkbox"/>		<input type="checkbox"/>	
a		b			
<input type="checkbox"/>		<input type="checkbox"/>			
		a		b	
		<input type="checkbox"/>		<input type="checkbox"/>	
a				b	
<input type="checkbox"/>				<input type="checkbox"/>	
	a		b		
	<input type="checkbox"/>		<input type="checkbox"/>		
R	S	T	X	Y	Z



## PART II

**DIRECTIONS:** four possible attitudes or answers follow each of the following situations or questions. Arrange these answers in the order of your personal preference by writing, in the appropriate box at the right, a score of 4, 3, 2, or 1. To the statement you prefer most give 4, to the statement that is second most attractive 3, and so on.

*Example:* If this was a question and the following statements were alternative choices you would place:

4 in the box if this statement appeals to you most.

3 in the box if this statement appeals to you second best.

2 in the box if this statement appeals to you third best

1 in the box if this statement represents your interest or preference least of all.

You may think of answers that would be preferable from your point of view to any of those listed. It is necessary, however, that you make your selection from the alternatives presented, and arrange all four in order of their desirability, guessing when your preferences are not distinct. If you find it really impossible to state your preference, you may omit the question. Be sure not to assign more than *one* 4, *one* 3, etc. for each question.

- a) more aid for the poor, sick and old
- b) the development of manufacturing and trade
- c) introducing highest ethical principles into its policies and
- d) diplomacy
- e) establishing a position of prestige and respect among nations

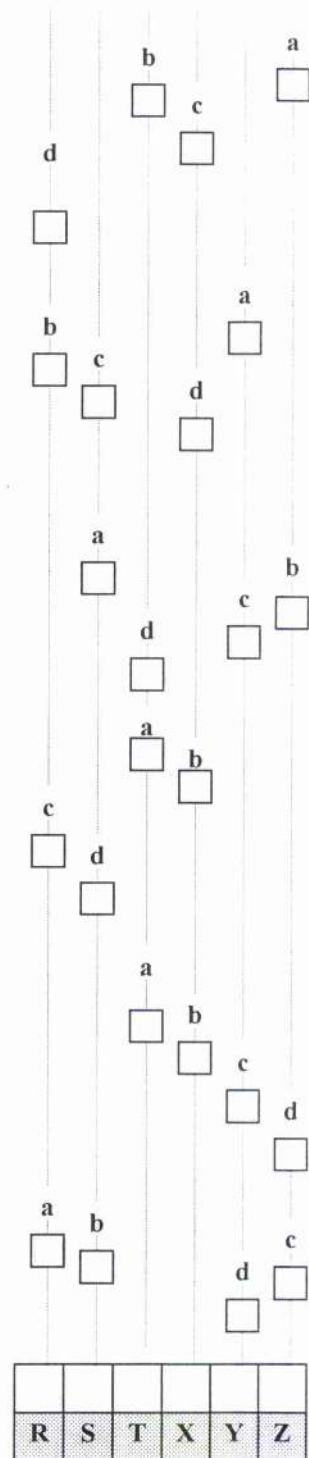
- a) educating himself by reading serious books  
b) participating in a sport competition  
c) going to a beautiful place  
d) hearing a really good sermon

- a) to promote the study and participation in music and fine arts
- b) to stimulate the study of social problems
- c) to provide additional laboratory facilities
- d) to increase the practical value of courses

- a) is efficient, industrious and of a practical turn of mind
- b) is seriously interested in thinking out his attitude toward life as a whole
- c) possesses qualities of leadership and organising ability
- d) shows artistic and emotional sensitivity

- a) establish a successful business to assist commercial and industrial development
- b) help advance the activities of local religious centres
- c) give it for the development of scientific research in your locality
- d) support some of the social service centres

- a) issues that treat the lives of great men
- b) issues about the achievements of great artists
- c) issues that have a theme of human suffering
- d) issues that argue consistently for some point of view







d)ideals of charity

d) Ibn AlKhaldoon (famous Muslim philosopher)

d) is gifted along artistic lines

d) the quintessence of harmony and design

R	S	T	X	Y	Z

## **PART III**

**MANAGERIAL VALUE QUESTIONS  
THE ADDITIONAL PART TO ALLPORT QUESTIONNAIRE**

- 
- |   | R | S | T | X | Y | Z |
|---|---|---|---|---|---|---|
| a |   |   |   |   |   |   |
| b |   |   |   |   |   |   |
| c |   |   |   |   |   |   |
| a |   |   |   |   |   |   |
| b |   |   |   |   |   |   |
| c |   |   |   |   |   |   |





- 
- |   |   |   |   |   |   |
|---|---|---|---|---|---|
|   |   |   |   |   |   |
| R | S | T | X | Y | Z |

15) Your company has recently decided to stop producing one of its products. Which of the following products would you propose to be stopped:

- The product which requires high investment in raw materials
- The oldest-fashion product
- The anti-religious instructions product

16) Assuming similarity in the salary, you have received different offers from different international business organizations located worldwide. Would you accept the offer that enables you to work in a company where:

- Its name is internationally well known
- Its location is distinctive (located in an international capital)
- You can meet some of your personal needs (self-esteem, self-actualization)

17) Would you like your company's new branch to be:

- In a democratic country where the political situation is stable
- In a country where the labour cost is low in order to gain higher profit rates
- In the country home

18) Before making your decision to punish one of your subordinates for any reason, would you prefer to:

- Listen to his point of view and let him express his opinion
- Listen to his co-workers only and that is enough
- Go to the field to make sure and ask for information from Personnel Department

R	S	T	X	Y	Z

سعادة المدير / الرجاء الإجابة على الأسئلة التالية بوضع إشارة ( ✓ ) أمام الإجابة

المناسبة مع الشكر

السؤال الأول :

ما هي وظيفتك داخل الشركة ؟

المدير العام	نائب المدير العام	المدير الإداري	مدير شؤون الموظفين	المدير المالي	مدير التسويق	مدير الإنتاج	مدير المبيعات	مدير المشتريات	أخرى أذكر

السؤال الثاني :

العمر: هل عمرك يتراوح بين ...

٢٩ - ١٩	٣٩ - ٣٠	٤٩ - ٤٠	٥٠ - أكثر

السؤال الثالث :

هل المؤهل الذي حصلت عليه ...

أقل من الثانوية	الثانوية	دبلوم	الجامعة	ماجستير	دكتوراه

السؤال الرابع :

كم عدد سنوات الخبرة ؟

أقل من ٥	٩ - ٥	١٩ - ١٠	٢٩ - ٢٠	٣٠ - أكثر

السؤال الخامس :

ما هو نشاط الشركة ؟

صناعي	تجاري	زراعي	مالي وتأمين	نقل	بناء وتعمير	خدمات	أخرى اذكرها

السؤال السادس :

كم عدد الموظفين في الشركة ؟

أقل من ١٠٠	٩٩٩ - ١٠٠	٢٤٩٩ - ١٠٠٠	٢٥٠٠ - أكثر



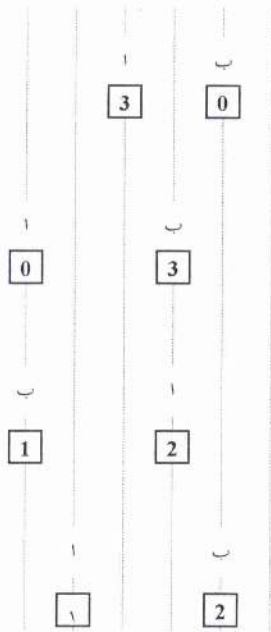
## Arabic Questionnaire

### الجزء الأول

#### أسئلة عامة (١)

أخي الكريم/ هذا الجزء يحتوي على مجموعة من الأسئلة العامة على يسار كل منها بديلين يمكنك الاختيار من بينها. قد تبدو هذه البدائل متساوية الأهمية بالنسبة لك وقد تبدو مختلفة الأهمية. بعض هذه الأسئلة تكون الإجابة عليها بنعم أو لا يرجى منك أخي الكريم توزيع النقاط المخصصة للسؤال وهي ثلاث نقاط على البديلين كالتالي:

يمكن توضيح ذلك في المثال التالي :



١. إذا كنت توافق على البديل الأول (أ) وغير موافق على البديل الثاني (ب) سيأخذ البديل (أ) ثلاث نقاط بينما سيحصل البديل (ب) على صفر من النقاط ويكتب ذلك رقميا داخل المربع المقابل لكل بديل.

٢. إذا كان العكس أي موافق على البديل (ب) وغير موافق على البديل (أ) سيكون الحل عكس المثال السابق

٣. إذا كنت توافق مع البديل (أ) بدرجة أعلى نسبيا من (ب) سيأخذ البديل (أ) نقطتين والبديل (ب) نقطة واحدة

٤. إذا كنت توافق مع (ب) بدرجة أعلى نسبيا من (أ) سيأخذ البديل (ب) نقطتين والبديل (أ) نقطة واحدة فقط

المرجو منك أخي الكريم إتباع المثال السابق في الإجابة على أسئلة هذا الجزء . علما أنه لا توجد طريقة أخرى للإجابة على أسئلة هذا الجزء غير الطريقة التوضيحية السابقة .

س ١ : يفترض أن يكون الغرض من البحث العلمي هو اكتشاف الحقيقة أكثر من تطبيقاته العملية :  
(أ) نعم (ب) لا

س٢: يتأثر المسلم عند قراءته للقرآن الكريم بالعرض الأدبي  
الجيد للقصص القرآنية أكثر من أسلوب عرض المعاني  
الإيمانية والروحية: (أ) نعم (ب) لا

س ٣ : أي من العلوم التالية ساهم أكثر في تقدم البشرية :  
(١) علم الاجتماع (ب) الفلسفة

**س ٤ :** افترض أن لديك القدرة الكافية والمطلوبة وكانت الفرصة مواتية هل تفضل أن تكون : (أ) مدير بنك (ب) موظف سياسي

**س ٥ :** هل تعتقد أن الفنانين العظماء (في مجال الرسم مثلاً) لا يهتمون بشعور الآخرين و أنانيين : (أ) نعم (ب) لا

س٦ : أي من فروع الدراسة يعتبر أكثر أهمية بالنسبة للبشرية بشكل أساسي : (أ) الرياضيات (ب) العلوم الدينية

س ٧ : أي من الأمور التالية تعتبر أكثر أهمية و تود أن يضطلع بها الرؤساء والقادة الجدد في المنظمة : (أ) الاهتمام بالنتائج العملية في إنجاز الأهداف (ب) تشجيع المرؤوسين على احترام الآخرين

س٨ : عند حضورك لإحدى المناسبات ذات العلاقة بعملك هل ستأثر أو تبهر أكثر ب (أ) جمال وروعة تنظيم برنامج الحفل (ب) قوة تأثير المجموعة المشاركة في برنامج الحفل

R	S	T	X	Y	Z

س ٩ : أي من السمات الشخصية تعتقد أنها أكثر أهمية :  
(أ) الروح العالية والاحترام (ب) الإيثار والعاطفة

س ١٠ : افترض أنك أستاذ جامعي ولديك القدرة الضرورية المطلوبة، هل تفضل أن تدرّس : (أ) الشعر والأدب (ب) الكيمياء أو الفيزياء

س ١١ : عند قراءتك لإحدى الصحف أي من العناوين التالية سيشدك أكثر : (أ) مواعظ دينية وفتاوى لأحد العلماء (ب) أخبار هامة عن أحوال السوق والأسهم

س١٢ : في حالة السؤال السابق هل ستقرأ بتركيز أكثر :  
(أ) قرارات وأحكام صادرة عن المحكمة الشرعية  
(ب) نظرية علمية تعلن لأول مرة

س ١٣ : عند دخولك المسجد للصلاة هل ستأثر أكثر بالخشوع في العبادة من التركيز على الزخارف الجميلة في المسجد : (أ) نعم (ب) لا

س ١٤ : افترض أن لديك وقت الفراغ الكاف، هل تفضل أن تقضيه في : (أ) تسمية إحدى مهارتك الإدارية الهامة (ب) التطوع للعمل الخيري في أحد المراكز الاجتماعية

س ١٥ : عند زيارتك لأحد المعارض هل تود زيارة القسم الخاص بـ (أ) المنتجات الجديدة (ب) قسم الأجهزة العلمية (كيميائية أو فيزيائية)

س١٦ : إذا أتحت لك الفرصة لحضور إحدى المناسبات العامة هل ستفضل : (أ) ملتقى أو ندوة اجتماعية (ب) معرض للفنون الجميلة

R	S	T	X	Y	Z

س ١٧ : إن هدف المسجد في وقتنا الحاضر يجب أن يكون :  
(أ) الترغيب في أعمال الخير والإحسان للآخرين  
(ب) رفع روح الإحساس بالعبادة

س١٨ : إذا كنت في أحد غرف الانتظار في مكان ما، وكانت هناك مجلستان، هل ستفصل: (أ) مجلة علمية (ب) مجلة فنية (ديكور مثلاً)

س١٩ : هل تود أن تستمع لسلسلة محاضرات عن : (أ) مقارنة  
الزاي الهامة لنموذج كل من الحكومة الأمريكية  
والبريطانية (ب) تطور الصحة الإسلامية في العالم

س ٢٠ : أي من الأمور التالية تعتبر أهم بالنسبة لمهام لتعليم :  
 (أ) الاهتمام بالإنجازات والاختراعات العلمية والتحفيز  
 المادي لها (ب) التحفيز على المشاركة في الأنشطة  
 الاجتماعية ومساعدة الأشخاص المعاقين

س ٢١ : عند القراءة عن إنجازات بعض العظماء هل تفضل أن تقرأ عن إنجازات : (أ) عمر ابن الخطاب أو خالد ابن الوليد (ب) ابن سينا أو ابن خلدون

س٢٢ : هل يعتبر التطور الحديث في المجال الصناعي والعلمي مؤشراً على أن الحضارة الآن أكثر تطوراً منها في المجتمعات السابقة مثل الإغريق : (أ) نعم (ب) لا

**س ٢٣ :** إذا عُيِّنَتْ في إحدى المنظمات الصناعية وبافتراض أن الدخول متساوي، هل تفضل أن تعمل في : (أ) وظيفة استشارية (ب) وظيفة إدارية

R	S	T	X	Y	Z



س ٢٤ : إذا خُيرَ بين أحد كتابين لتقرأه ، أي من الكتابين  
التالين ستفضل أكثر : (أ) تاريخ الدين الإسلامي في  
المملكة (ب) تاريخ التطور الصناعي في المملكة

س ٢٥ : هل المجتمعات المتقدمة تتماز أكثر بـ (أ) الاهتمام  
المتزايد بحقوق المواطنين (ب) التطور الكبير في قوانين  
السلوك الإنساني

س٢٦ : افترض أنك في موقع يؤهلك بالمساهمة في إحداث تغيير، هل تفضل أن تساهم في : (أ) تخفيض معدلات المعيشة (ب) التأثير على الرأي العام عن طريق الصحافة

س ٢٧ : هل تفضل أن تسمع سلسلة محاضرات عامة عن : (أ) تطور عمل الخدمة الاجتماعية في منطقتك (ب) أعمال الراسمين المعاصرين

س٢٨ : تشير الدلائل على أن الزلازل تحدث بفعل بعض عوامل الطبيعة وأنه ليس هناك ضرورة للتفكير في أسباب أخرى (دنية مثلاً) (أ) أوافق (ب) لا أوافق

س ٢٩ : عند قراءتك لإحدى الصحف اليومية هل تركز أكثر على (أ) الصفحة الاقتصادية (ب) الصفحة الفنية

س ٣٠ : هل تعتقد أنه من الأفضل لطفلك أن يتحصن للمستقبل بـ(أ) التثقيف الديني (ب) التدريب الرياضي

R	S	T	X	Y	Z



س ١ : هل تعتقد أنه من الأفضل للحكومة أن تولي اهتمام أكثر لـ :

- (أ) مساعدة الفقراء والمرضى والعجزة في البلد
- (ب) تنمية وتطوير الصناعة والتجارة
- (ج) الالتزام بالمبادئ بالأخلاق الإسلامية في تعاملاتها السياسية
- (د) الاحتفاظ بعلاقات جيدة مع الدول الأخرى

س ٢ : من وجهة نظرك هل ترى أنه من الأفضل لرجل الأعمال

- (أ) المشغول طوال الأسبوع أن يقضي يوم الجمعة في :
- (أ) محاولة تنقيف نفسه بقراءة الكتب العلمية
- (ب) ممارسة بعض الألعاب الرياضية
- (ج) زيارة أحد معارض الفنون أو الذهاب إلى مكان هيل
- (د) الاستماع إلى محاضرة دينية لأحد علماء الدين

س ٣ : إذا كان باستطاعتك التأثير على سياسة التعليم، هل ستأخذ

في الاعتبار :

- (أ) تشجيع دراسة الفنون (الرسم مثلاً) والمشاركة فيها
- (ب) تشجيع الدراسة في المجالات الاجتماعية
- (ج) الاهتمام بتوفير الأجهزة المخبرية الضرورية
- (د) رفع مستوى الجانب التطبيقي للمواد المدرسة

س ٤ : هل تفضل الصديق ذو المزايا التالية

- (أ) الجاد ذو العقلية العملية
- (ب) يلتزم بتحقيق أهدافه في الحياة بدرجة كبيرة
- (ج) يمتلك سمات قيادية وتنظيمية جيدة
- (د) ذو سمات فنية وشعور حسي مرهف

س ٥ : إذا كنت تعيش في أحد المدن الصغيرة ودخلك يفوق ما يكفي

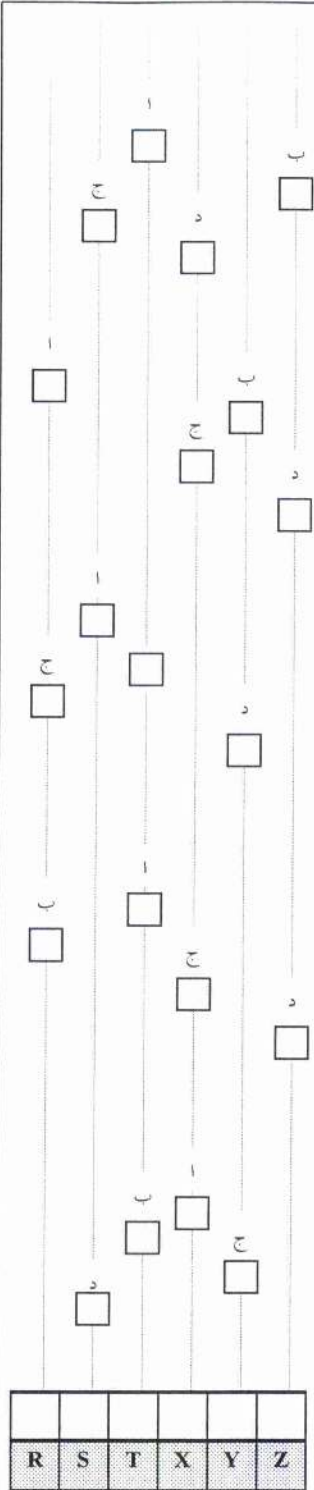
لسد احتياجاتك . هل تفضل أن تدعم :

- (أ) التنمية التجارية و الصناعية في مدينتك بإقامة مشروع تجاري
- (ب) أنشطة الجمعيات الدينية (تحفيظ القرآن مثلاً)
- (ج) مراكز البحث العلمي في مدينتك
- (د) مراكز الخدمات الاجتماعية

س ٦ : هل تستمتع أكثر بسماع المحاضرة التي تتناول :

- (أ) صورة من حياة الرجال العظماء
- (ب) أعمال ومساهمات الرسامين العظماء
- (ج) الفقر والجوع في بعض الدول الفقيرة
- (د) إثبات صحة بعض النظريات العلمية

R	S	T	X	Y	Z



س٧ : افترض أن لديك الكفاءة والقدرة المطلوبة والدخل متساوي

بالنسبة لجميع الوظائف. هل ستفضل أن تكون :

(أ) مدرس رياضيات

(ب) مدير مبيعات

(ج) رجل دين (خطيب جامع مثلا)

(د) موظف سياسي

س٨ : إذا كان لديك المال الكاف الذي يفوق احتياجاتك هل تفضل :

(أ) اقتناء لوحات فنية ثمينة

(ب) إنشاء مركز لرعاية المعوقين

(ج) تبني حملة لترويج نفسك لعضوية الغرفة التجارية في مدينتك

(د) إنشاء و إدارة مؤسسة تجارية

س٩ : في أحد اللقاءات المسائية مع بعض أصدقائك هل ترغب بمناقشة :

(أ) شؤون الحياة

(ب) التطور العلمي

(ج) موضوعات أدبية

(د) الشؤون الاجتماعية و إصلاحها

س١٠ : كيف تنوي قضاء إجازتك الصيفية القادمة

مع افتراض أن قدرتك وظروفك تسمح :

(أ) كتابة ونشر موضوع علمي جيد

(ب) اللجوء إلى مكان جميل ومتنوع (هادئ) في بلدك

(ج) الاشتراك في إحدى المناسبات الرياضية

(د) اكتساب خبرة جديدة في أحد فروع التجارة

س١١ : هل المغامرات التي قام بها بعض المستكشفين مثل

كولمبوس ، ماجلان ، ابن بطوطة تعتبر هامة لأنها :

(أ) تمثل إنجازات قام بها الإنسان بالرغم من الصعوبات الطبيعية

(ب) أضافت معرفة في علم الجغرافيا، الأحوال الجوية، المحيطات

(ج) تستخدم احتياجات الإنسان في مختلف بقاع العالم

(د) كل منهم ساهم في مجالته في الفهم الأساسي للكون



س ١٢ : يستطيع الشخص أن يهذب أو يحسن سلوكه باستخدام العوامل

التالية، أيها أكثر فاعلية من وجهة نظرك :

(أ) قوة الإيمان الديني لديه

(ب) اتجاهاته وقدراته الفنية

(ج) طيعة عمله المهني وزملاءه في العمل

(د) اتجاهاته الإنسانية والخيرية

س ١٣ : أي من الأسماء التالية يثير إعجابك بدرجة أكبر :

(أ) الدكتور مجدي يعقوب

(ب) الرئيس جمال عبد الناصر

(ج) الوزير أحمد زكي يماني

(د) الفيلسوف والعالم ابن خلدون

س ١٤ : عند رغبتك في الزواج هل تفضل أن ترتبط بالزوجة التي :

(أ) تتمتع بمستوى اجتماعي جيد

(ب) تميل إلى مساعدة الآخرين

(ج) ذات اتجاهات دينية

(د) ذات مواهب فنية جيدة

س ١٥ : عندما تتمعن في صورة مسجد بني على قمة جبل رسمها أحد

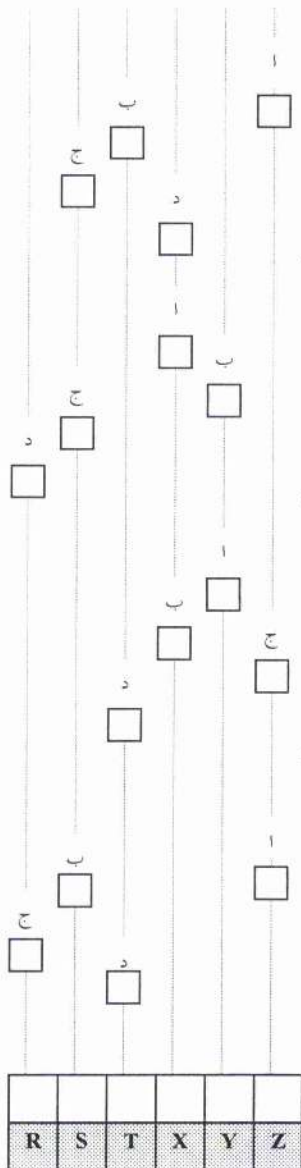
الرسامين المشهورين ، هل ستنظر للصورة على أنها :

(أ) تعبر عن أحاسيس دينية وروحية عالية

(ب) أنها مجرد صورة عادية وليس لها ميزة إضافية

(ج) تعبر عن مكانة الرسام التاريخية وبراعته

(د) مثالا للتناسق الجيد والجميل



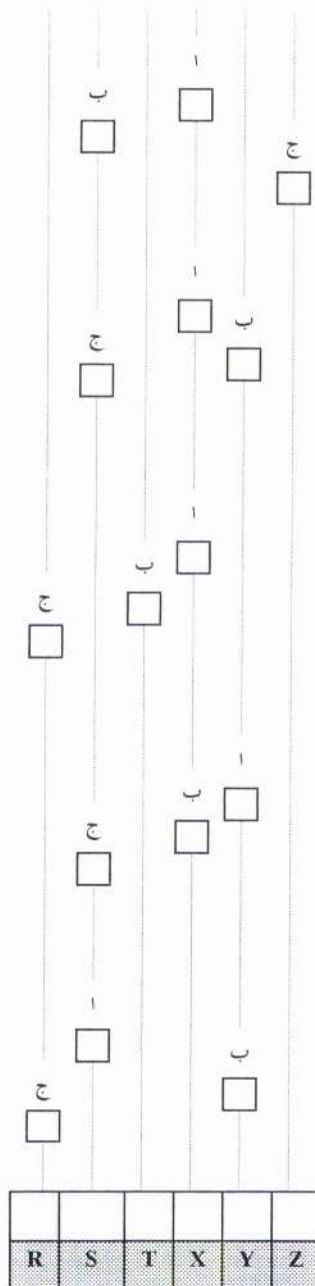
### الجزء الثالث

#### أسئلة تتعلق بمجال عملك

#### إرشادات الحل:

أخي الكريم / شكرا على تفضلك بالإجابة على أسئلة الجزء الأول والثاني ، هذا الجزء يحتوي على مجموعة من الأسئلة المتعلقة ببعض الأمور الهامة التي تواجهك في عملك. كل سؤال من أسئلة هذا الجزء يحتوي على ثلاثة بدائل. لكل سؤال من الأسئلة ست نقاط توزع على البدائل الثلاثة كالتالي :

- ١- إتباع نفس طريقة الحل في الجزء السابق (الجزء الثاني) .
- ٢- بحيث يأخذ البديل الأهم بالنسبة لك أكبر درجة حسب تقديرك الشخصي (ثلاث نقاط) و البديل الذي يليه في الأهمية درجة أقل (نقطتين) والبديل الأقل أهمية (نقطة واحدة) .
- ٣- وهكذا بحيث يكون مجموع الدرجات المعطاة للبدائل الثلاثة مجتمعة ست نقاط . الدرجة ستكتب داخل المربع المقابل لكل بديل كما هو معلوم سابقا .
- ٤- وهكذا ستكون الإجابة تسلسلية كما في الجزء السابق



س ١ : من وجهة نظرك أي من الأمور التالية ينبغي أن يحظى باهتمام سياسات وخطط منظمتك بدرجة أكبر :

(أ) الاهتمام بتحقيق رغبات المجتمع المحلي (كتوفير السلع و الوظائف)

(ب) الإنتاجية العالية من أجل تحقيق معدلات ربحية مرضية

(ج) مراعاة التعاليم الدينية والأخلاقية في ممارسات الشركة ومنتجاتها

س ٢ : عندما تجتمع مع رؤسك هل تود أن :

(أ) تتيح لهم الوقت الكافي للتعبير عن آرائهم

(ب) تستمع لهم دون الاهتمام بتحقيق مطالبهم

(ج) تختصر وقت الاجتماع من أجل الحفاظ على وقت العمل

س ٣ : افترض أنك مديرا للمشتريات أي من الآلات التالية ستحوز على إعجابك أكثر :

(أ) الآلات الأكثر أمانا عند استخدامها بواسطة العاملين

(ب) الآلات ذات الشكل والتصميم الجيد

(ج) أ و ب معا

س ٤ : أي من الأساليب ستعتمد للحد من ارتفاع نسبة التالف أثناء العمليات الإنتاجية :

(أ) التخلص من الأفراد المتسبين في المشكلة واستبدالهم بآخرين

(ب) إعداد برامج تدريبية مهنية وإنسانية للأفراد المتسبين في المشكلة

(ج) منح زيادات استثنائية في رواتب الأشخاص ذوي الإنتاجية العالية

س ٥ : بالنسبة لسياسة الحوافز ، أي من الأساليب التالية ستختار لمكافأة المرؤوسين الجادين :

(أ) زيادة في الراتب ومنح الترقية

(ب) منحهم ثقة أكبر واستقلالية في إنجاز أعمالهم

(ج) عدم منح مزايا استثنائية لأنه يتوقع من كل فرد أن يعمل بجد

(أ) تحقيق موقع متميز وقيادي في السوق  
(ب) إعطاء اهتمام أكبر لشكل السلعة الخارجي  
(ج) تحري الدقة والواقعية في إعلانات الشركة

التالية تفضل أن يحظى بدعم شركتك :

التالية تود أن تركز عليها إعلانات شركتك :

الثلاث التالية ترغب أكثر في الاستجابة لها :

أي من المرؤسين التاليين تود أن تستشير :

(أ) ذوي الاتجاهات الدينية القوية  
(ب) ذوي العلاقات الطيبة مع زملائهم ورؤسائهم  
(ج) ذوي المهارة والثقافة العالية

R	S	T	X	Y	Z



س ١١ : تم اختيارك لالقاء كلمة في الحفل السنوي للشركة التي تعمل بها .

أي من الموضوعات التالية ترى أنه أكثر أهمية :

(أ) الجوانب الأخلاقية في ممارسة أنشطة الشركة

(ب) مسئوليات الشركة تجاه المجتمع

(ج) موقع الشركة الحالي في سوق المنافسة

س ١٢ : ماذا تود أن تقدم لخدمة المجتمع الذي توجد فيه الشركة من بين الأمور التالية :

(أ) المشاركة في إنشاء مكتبة وطنية

(ب) المشاركة في تطوير المتحف الوطني والأماكن الأثرية

(ج) المشاركة في إنشاء جمعية تعاونية لتوفير المواد الغذائية بأسعار مناسبة للعاملين

س ١٣ : كمدير عام للشركة ، أي من الشخصيات التالية تفضل

أكثر لشغل المواقع القيادية في الشركة :

(أ) الشخصية ذات الميول الفنية

(ب) الشخصية ذات الميول الدينية

(ج) الشخصية ذات الميول الاقتصادية

س ۱۴ : هل تود أن يكون مكتبك :

(أ) ذو تصميم جيد ولمسات فنية راقية

(ب) ذو تصمیم و تجهیز معقول

(ج) على درجة من الفخامة ليعكس أهمية الوظيفة أمام الغير

R	S	T	X	Y	Z

س١٥ : عندما تتخذ شركتك قرار بوقف أحد المنتجات، أي من

المنتجات التالية تقترح أن يتم وقفه :

(أ) المنتج الذي يتطلب استثمار أعلى في المواد الخام

(ب) المنتج ذو التصميم القديم

(ج) المنتج الذي لا يتماشى بدرجة عالية مع التعاليم الدينية

س١٦ : على افتراض أن المرتب أو الدخل متساوي ، أي من العروض التالية

تعتقد أنه أفضل بالنسبة لك :

(أ) العرض المقدم من شركة ذات اسم تجاري مرموق

(ب) العرض المقدم من شركة ذات موقع متميز (في عاصمة عالمية)

(ج) الشركة التي تستطيع فيها تحقيق ذاتك (كاستقلالك في اتخاذ قرارات إدارتك)

س١٧ : أين ترغب أن يكون موقع الفرع الجديد للشركة :

(أ) في دولة ذات استقرار أمني و سياسي

(ب) في دولة تتوافر فيها أيدي عاملة رخيصة

(ج) في نفس بلد الشركة الأم

س١٨ : قبل اتخاذك للقرار الخاص بمتابعة أحد مرؤسيك لسبب ما

هل تفضل :

(أ) إعطاءه الفرصة الكافية لسماع وجهة نظره

(ب) التأكد من عدم ظلم الموظف وأنه ارتكب خطأ فعلا

(ج) عمل زيارة ميدانية لموقع عمله لجمع المعلومات الكافية حول المشكلة

☐ نرغب تزويدنا بنتائج الدراسة

العنوان:

R	S	T	X	Y	Z

تم بحمد الله

شكرا جزيلاً والسلام عليكم ورحمة الله وبركاته

الباحث: عبد اللطيف النعيم

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**SCORE SHEETS FOR THE STUDY  
OF PERSONAL & MANAGERIAL VALUES**

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Page Total	Theoretical	Economic	Aesthetic	Social	Political	Religious	The Sum
Part 1 Page 3	(R)	(S)	(T)	(X)	(Y)	(Z)	24
Page 4	(Z)	(Y)	(x)	(T)	(S)	(R)	24
Page 5	(X)	(R)	(Z)	(S)	(T)	(Y)	21
Page 6	(S)	(X)	(Y)	(R)	(Z)	(T)	21
Part 2 Page 8	(Y)	(T)	(S)	(Z)	(R)	(X)	60
Page 9	(T)	(Z)	(R)	(Y)	(X)	(S)	50
Page 10	(R)	(S)	(T)	(X)	(Y)	(Z)	40
Total							240

Part 3 Page 12	R	S	T	X	Y	Z	30
Page 13	Z	Y	X	T	S	R	30
Page 14	X	Y	Z	R	S	T	24
Page 15	T	S	R	Z	Y	X	24
Total							108

## **Appendix F: The First Follow-up Letter**

Date  
Address  
Tel:

Dear Sir,

### ***GOD'S PEACE AND MERCY BE WITH YOU***

About three weeks ago, we sent you a questionnaire seeking information related to managers' values in Saudi Arabia. Your participation in this matter is very important because your company is one of the most successful and important companies in S.A.

If you have already completed and sent the questionnaire, thank you very much for doing so and please ignore this letter. If not, may we ask you to do so today.

Accept our best wishes and thanks very much for your co-operation and participation in the completion of this important study.

Abdullatif Alnaeem  
Researcher  
Imam University

Prof. Mo Malek  
Professor of Management  
University of St. Andrews



## Appendix G: The Second Follow-up Letter

Date  
Address  
Tel:

Dear Sir,

### ***GOD'S PEACE AND MERCY BE WITH YOU***

About five weeks ago, we sent you a questionnaire seeking information related to managers' values in Saudi Arabia. Your participation in this matter is very important because your company is one of the most successful and important companies in S.A.

If you have already completed and sent the questionnaire, thank you very much for doing so and please ignore this letter. If not, may we ask you to do so today.

We would like to remind you that the completion and the success of this study is based upon your participation and your contribution. Thus, you are one of the main factors upon which the success of this study based.

We apologise for causing any inconvenience. Accept our best wishes and thanks very much for your help in the completion of this considerable study.

Abdullatif Alnaeem  
Researcher  
Imam University

Prof. Mo Malek  
Professor of Management  
University of St. Andrews

## Appendix H: The Permanent Committee for Research and Ifta'a Ruling on Software Piracy

بسم الله الرحمن الرحيم رقم ٤٦٢-٩٥٥١ (١-٩٥٥) ILF 11:20AM '97 OCT 19

P.1

الترسم : .....

المجلس الأعلى للمعوقين

التاريخ : .....

والله اعلم بالصواب

الترجمات : .....

الأمانة العامة لهيئة كبار العلماء

لشئى رقم ( ١٨٤٥٣ ) وتاريخ ١٠ / ١١ / ١٤١٧ هـ الموافق ١٩ / ٥ / ١٩٩٦ م

أخمد الله وحده والصلاة والسلام على من لا نبى بعده . . . وبعد :

فقد اطلعت اللجنة الدائمة للبحوث العلمية والإفتاء على ماورد إلى ساحة المفتي  
العام من الاستفتي/ماجد عبادي محمد . والمحال إلى اللجنة من الامانة العامة لهيئة كبار  
العلماء برقم ( ٢١٤٤ ) وتاريخ ٨ / ٥ / ١٤١٦ هـ . وقد سأل المفتي سؤالا هذا نصه : ( اصل في  
مجال الحاسب الآلي منذ فترة ومنذ أن بدأت العمل في هذا المجال أقدم نسخ البرامج للعمل عليها رغم ذلك  
دون أن أشتري النسخ الأصلية لهذه البرامج ، علما بأنه توجد على هذه البرامج عبارات تحذيرية من النسخ  
مزاها أن حقوق النسخ محفوظة تشبه عبارة « حقوق الطبع محفوظة » الموجودة على بعض الكتب رغم بكون  
صاحب البرنامج مسلم أو كافر . وسألي : هو هل يجوز النسخ بهذه الطريقة . أم لا . . . )  
وبعد دراسة اللجنة للاستفتاء أجابت بأنه لا يجوز نسخ البرامج التي يمنع أصحابها  
نسخها إلا بأذنهم لقوله صلى الله عليه وسلم : « المسلمون على شروطهم » . وقوله صلى الله  
عليه وسلم : « لا يحل مال امرئ مسلم الا بطيبة من نفسه » . وقوله صلى الله عليه وسلم :  
« من سبق إلى مباح فله حق به » . سواء كان صاحب هذا البرنامج مسلما أو كافرا غير حريم  
لأن حق الكافر غير الحريم محترم كحق المسلم . والله أعلم .  
وصلى الله على نبينا محمد وآله وصحبه وسلم . . .  
اللجنة الدائمة للبحوث العلمية والإفتاء

الرئيس

عبدالعزیز بن عبد الله بن باز

نائب الرئيس

عبدالعزیز بن عبد الله بن محمد آل الشيخ

صالح بن محمد الفوزان

بكر بن عبد الله ابن

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